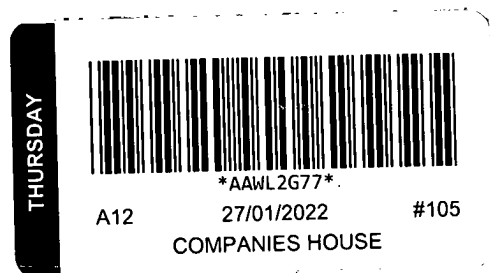


Company Registration No. 07943613 (England and Wales)

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021



SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

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SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

		Appointed	Resigned
Members	Mr G Boyd	01.04.16	
	Mrs J Lank	01.04.16	
	Mr J Wickett	01.04.16	15.10.21
	Reverend J Tranter	21.04.17	22.02.21
	Mr R Barlow	01.11.21	
	Mr B Ford	01.11.21	
Trustees	Mr R Sampson, Vice Chair*/**	09.02.12	
	Mrs J Riley*	01.04.16	
	Mr R Summers, Chair**	01.04.16	
	Mr C Howse, Vice Chair */**	25.05.16	
	Mrs K Soole	01.06.20	
	Mrs L Court	01.06.20	
	Miss C Howells*/***	01.09.20	
	Mrs K Bowden-Brown	01.09.20	
	Mrs S Odusola	01.10.21	

* Members of the Audit and Finance Committee in the year ended 31 August 2021.

** On 06.10.21, Mr R Summers was re-elected as Chair of the Board of Trustees. On 06.10.21, Mr R Sampson was re-elected as Vice Chair of Trustees for 2021/22. Mr C Howse was joint Vice Chair of Trustees in 2020/21 and stood down for 2021/22.

***Member of the Audit and Finance Committee for 2021/22. On 6.10.21 Miss C Howells was elected as Chair of the Audit & Finance Committee for 2021/22.

Senior Management Team

Mr J Turvey	Chief Executive Officer and Accounting Officer
Mrs N Diamond	Chief Operating / Financial Officer
Mr A Kilgour	Trust Improvement Partner and Headteacher – Darrick Wood Junior School
Mrs M Foley	Headteacher – Chelsfield Primary School
Mrs S Morgan	Head of School – Green Street Green Primary School
Mrs S Kenneth	Headteacher – The Highway Primary School
Mrs E Hodson	Head of School – Pratts Bottom Primary School
Mrs B Bruce	Head of School – Tubbenden Primary School

Local Governing Bodies		Appointed	Resigned
Chelsfield Primary School	Mrs R Tatton-Kelly, Chair	01.09.18	
	Mrs E Vassie	07.10.14	23.07.21
	Mr J Grainger	16.11.13	
	Ms A Lowe, Parent Governor	08.11.16	08.11.20
	Ms A Lowe, Co-opted Governor	03.05.21	
	Mrs J Quinnell	08.11.16	
	Rev. J Tranter, Member	09.11.15	22.02.21
	Mrs N Burstow-Goff, Parent Governor	08.03.17	30.09.20
	Miss L Sullivan, Parent Governor	08.03.17	08.03.21
	Miss L Sullivan, Co-opted Governor	08.03.21	
	Mrs C Blayney	01.10.19	
	Miss R Haywood, Staff Governor	24.02.20	
	Mrs H Mee, Parent Governor	14.10.20	
	Mr G Valentine-Fuller, Parent Governor	05.07.21	
	Mr S Balaraman, Parent Governor	05.07.21	
	Mrs R Dunkerley, Parent Governor	05.07.21	
	Mr P Lamond	21.07.21	
Darrick Wood Junior School	Mr D Hackin, Staff Governor	07.06.19	
	Mrs S Benstead, Staff Governor	29.11.16	28.11.20

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

	Mr N Robinson, Parent Governor	01.11.16	
	Mr N Robinson	01.11.20	
	Miss R Georgiadis, Staff Governor	18.01.21	31.08.21
	Mrs S Harrison	27.09.16	31.08.21
	Mr M Mohan	27.09.16	09.06.21
	Ms S Vaccarino, Chair	29.03.19	
	Mr S Murdoch	02.11.20	
	Mr R Barlow, Parent Governor	30.11.20	
	Ms J Maguire, Parent Governor	30.11.20	
	Mr N Beckford	18.01.21	
Green Street Green Primary School	Mrs X Wang	06.07.17	05.07.21
	Mr A Reeves, Chair	04.12.18	
	Mrs J Velvick, Staff Governor	01.10.18	
	Mrs V Parry, Parent Governor	05.11.18	04.05.21
	Mrs J Tobbell	04.12.18	
	Mr H Popat	07.07.21	
	Mrs S Odusola, Parent Governor	16.10.19	12.10.21
	Mrs E Sundblad	11.11.19	
	Miss F Tate	02.03.20	
	Dr. S Jabbar	23.09.20	
	Professor E Ademola	23.09.20	
The Highway Primary School	Mr A Birks-Agnew, Chair	08.07.15	
	Mr J Wickett, Member	07.01.15	
	Ms D Brockwell	16.10.16	
	Mr M Palmer	22.03.17	21.03.21
	Mrs K Clemmey	04.07.18	
	Mrs P Hill	10.10.18	21.01.21
	Mrs A Williamson, Parent Governor	17.01.19	
	Mrs L Sutton, Parent Governor	17.01.19	
	Miss C Hallett, Staff Governor	14.10.19	
	Mrs H Terwiliger	04.05.21	
	Mr D Draper	28.06.21	
	Ms C Rees	06.10.21	
	Mr J Saunders	03.11.21	
Pratts Bottom Primary School	Mr P Ioannou, Parent Governor, Chair	15.11.17	
	Mrs C Bone	09.10.17	16.07.21
	Mrs S Perez, Staff Governor	01.10.18	
	Mrs E Ibrahim	14.03.19	
	Mrs A Page	09.07.19	18.02.21
	Mrs S Hynes, Parent Governor	28.10.19	
	Mr B Ford, Parent Governor	20.11.19	
	Mrs K Bentley, Parent Governor	28.10.19	
	Mrs S Atkinson-Jones	11.01.21	
	Mrs S Fazal	11.01.21	
	Mr P Cross	29.01.21	23.03.21
	Mr C Diyasena	30.04.21	
	Mr H Krishnakumar	14.06.21	

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Tubbenden Primary School	Mrs C Mohamed, Chair	04.01.17	
	Mr R Batchelor	21.03.12	
	Mr A Bloodworth	25.02.19	
	Mr K Liu, Parent Governor	19.02.18	
	Miss L Venn, Staff Governor	29.09.19	
	Mrs J Davis	02.10.19	17.07.21
	Miss H Crisp, Staff Governor	18.11.19	
	Mrs A Carter, Parent Governor	04.12.19	
	Mrs R Deeks	01.12.20	
	Mrs R Casey	01.12.20	
Company Secretary	Mrs C Booker (resigned 17.09.21) (Clerk to the Trustees) Ms J Peake (Appointed 20.09.21)		
Company registration number	07943613 (England and Wales)		
Registered office	Tubbenden Primary School Sandy Bury Orpington Kent BR6 9SD		
Independent auditor	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE		
Bankers	Lloyds Bank PLC		
Solicitors	Winckworth Sherwood Minerva House 5 Montague Close London SE1 9BB		

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2020/2021 issued by the ESFA.

The Trust operates 5 primary schools and one junior school in the London Borough of Bromley. Its schools have a combined pupil capacity of 1863 (2020: 1,854) and had a roll of 1875 (2020: 1,893) in March 2021.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee incorporated on 9 February 2012 as Tubbenden Primary School, a company limited by guarantee with no share capital and an exempt charity. It became a multi-academy trust on 1 April 2016 and changed its name.

The Trustees, who are also the directors for the purpose of company law, and who served during the year are set out in the Reference and Administrative Details section on page 1.

Members' liability

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

Trustees' Indemnities

No indemnities or guarantees have been provided to third parties by the charitable company in respect of any of its Trustees.

Method of recruitment and appointment or election of trustees

In accordance with the articles of association, the trustees of the charitable company are appointed as follows:

- Up to 6 Trustees each of whom is appointed by a Member.
- A minimum of 2 Parent Trustees appointed by Members if no provision is made for at least 2 Parent Local Governors on established Local Governing Bodies.
- Providing the Chief Executive Officer agrees so to act, the Members may appoint the Chief Executive Officer as a Trustee.
- The Trustees may appoint co-opted Trustees. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if thereby the numbers of Trustees who are employees of the Academy would exceed one third of the total number of Trustees including the Chief Executive Officer to the extent he or she is a Trustee.

Trustees (other than the Sponsors and the CEO) serve for four years and are eligible for re-election.

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new trustees will depend on their existing experience. Where necessary, induction will provide training in charity, educational, safeguarding, legal and financial matters. All Trustees are provided with the information needed (including a full induction pack and policies, minutes and budgets) to undertake their role as Trustees.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure

The Board of Trustees comprises those persons appointed under the Articles of Association. The Board meets a minimum of six times a year and has a number of sub-committees:

- Finance and Audit Committee
- Local Governing Bodies (LGB) for each of the schools within the Trust

Each committee is formally constituted with terms of reference and comprises appropriately qualified and experienced members. The Trust Board delegates specific responsibilities to its committees, the activities of which are reported to and discussed at full Board of Trustee meetings. Trustees review the number and role of committees on a regular basis.

The Trust is managed by the Board, which may exercise all of the powers of the Trust. This is achieved through strategic planning, policy setting and delegation to the Chief Executive Officer (CEO), the Chief Operating Officer (COO), the School Improvement Partner (SIP) and the Headteachers and Heads of School. This constitutes the Senior Management Team (SMT). Exercise of power is managed through business planning, budget monitoring, performance management, the setting of standards and the implementation of quality management processes. The Board has reserved the power to approve the final budget and audited accounts, the appointment of Headteachers/ Heads of School and other Senior Leaders, expenditure over prescribed amounts, and recruitment and staff contract variations.

The governance of each of the schools is delegated to a LGB which meets six times a year. LGBs are organised as necessary to ensure full review of all resources, including finances, premises and staffing matters and of Teaching and Learning.

Each LGB has responsibility for setting some strategic policy within their school subject to the Scheme of Delegation documented and adopted across the Trust.

Each school has a Senior Leadership Team (SLT) who control each school at a senior level implementing the policies laid down by the Trustees, the LGBs, the Headteachers/ Heads of School, and reporting back to them. As a group, each SLT is responsible for the authorisation of spending within agreed budgets and the appointment of some staff. Some spending control is devolved to Middle Leaders and Subject Leaders, with limits above which the Headteacher/Head of School, COO or CEO must countersign.

Arrangements for setting pay and remuneration of key management personnel

The Trust has both a Teachers' Pay Policy and a Support Staff Pay Policy. Each are reviewed annually by the CEO, COO and SIP, agreed and ratified by Trustees considering the advice provided by the Trust's HR advisor. Each policy takes account of full input from both teaching and non-teaching unions.

The Pay Committee of each LGB and of the Trust meet annually at the beginning of the autumn term to make decisions on all members of staff who are entitled to be considered for discretionary pay awards. The LGBs are supported by advisors to recommend Headteacher pay awards to the Trust. The pay award of Heads of School is recommended to the Trust by the Executive Head.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
6	6

Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	6
1% - 50%	0
51% - 99%	0
100%	0

Percentage of pay bill spent on facility time

Total Cost of facility time	£2,000
Total Pay bill	£9,016,000
Percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
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Related Parties and other Connected Charities and Organisations

Each of the schools enjoys a friends or parents association which organises various fundraising events to provide facilities for the pupils of each school. At present, there are no connected organisations and no subsidiary companies.

The Trust maintains a Register of Business Interests which records any relationships of Trustees with related parties and any other charities/organisations with which the Trust co-operates in the pursuit of charitable activities.

Engagement with employees (including disabled persons)

The Trust places immense value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Trust. Close and inclusive engagement with employees is a key goal of the Trustees and of the Trust. The goal of all engagements is to consider the opinions of staff that will influence key decisions and to inform staff of all matters of their concern. Staff engagement is prioritised and actioned through a number of activities and undertakings:

- Regular communication from the Chair of the Board of Trustees to all staff
- Newsletters from the CEO to all Trust staff
- Regular communication on staffing matters to all Trust staff from the CEO and COO
- Trustee attendance at Governor days hosted within each school
- Daily and weekly briefings at every school lead by the Head
- Annual hosting of a SOLA Leadership Event attended by Trustees, Governors and SOLA Leadership
- The Trust hosts annual training events to which all staff, Governors and Trustees are invited
- Each school hosts a Staff Wellbeing Committee
- The Trust hosts an active Diversity Working Party with representation and participation from Trustees, Governors, Senior Leaders and staff.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

In respect of disabled persons, the policy of the Trust is to support recruitment and retention of children, staff and Trustees/Governors with disabilities. Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of all the schools. The Trust does this by adapting the physical environment, making support resources available and through relevant training. Our policy is to promote the career development and promotion of disabled persons, irrespective of the nature of their disability and we will provide whatever assistance we reasonably can do in order to support the individual in meeting their career goals.

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

The Trust recognises the importance of maintaining good business relationships with its suppliers. We have clear procurement practices to ensure that suppliers are treated in an even-handed manner. The performance of and relationship with key suppliers is constantly monitored to ensure that we treat suppliers fairly, ensuring that payment terms are adhered to and that we comply with contractual obligations placed upon the Trust. We encourage an open and ongoing dialogue with suppliers to ensure that we conduct our business with them in a professional commercial manner.

Our objects and aims, described below, put children at the heart of all that we do. We have described our main achievements within the Strategic Report and also how we have performed against our objectives. We are committed to ensuring that we maintain strong and effective relationships with children, parents and wider stakeholders in the community.

Objectives and activities

Objects and aims

The principal object of the charitable company is the advancement of education in the United Kingdom. It achieves this object principally through the operation of South Orpington Learning Alliance Multi-Academy Trust, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of the students at all six academies which provide, and strive to promote, the advancement of education to primary aged children (and some Nursery provision) within the Orpington area of South East London.

In setting objectives and planning activities the Board has considered the Charity Commission's general guidance on public benefit. The Board believes the Trust's aims and admissions criteria are demonstrably to the public benefit and that each school aims to contribute in ways that are of benefit to the wider community.

The objectives of the Trust are best demonstrated within the Mission and Vision Statements:

Our Mission:

SOLA is a family of schools committed to the pursuit of excellence for our pupils. We recognise our responsibility to play a central role within our community, and to continually improve, together.

Our Vision:

Is for every child in a SOLA school to be included, to know that they are important and to acquire and develop the tools, character and values that will enable them to be happy, to contribute, and to thrive throughout their lives.

Characteristics and Values:

The characteristics and values that mean most to us and that we will promote are kindness, curiosity, honesty, respect, inclusivity, responsibility and resilience.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives, strategies and activities

The key aims and objectives for the year ended 31 August 2021 were informed by the Trust's vision and were shared within the Growth Strategy as follows:

	By September 2021...	RAG	Comments
LEADERSHIP	<ul style="list-style-type: none"> Review the Trust's Vision 		Complete
	<ul style="list-style-type: none"> Review the Trust's Values 		Complete
	<ul style="list-style-type: none"> Complete review of curriculum Review implementation of the curriculum Review School SEFs 		Pandemic-related slowing of progress in these two areas
			Significant improvements made – IP support engaged
	<ul style="list-style-type: none"> New governance systems reviewed, adjusted and becoming embedded. Take specific action to further improve Trustee/FGB communication 		Governing Boards increasingly effective – CPS a good example.
			A range of processes in place
	<ul style="list-style-type: none"> Ensure systems for direct engagement with families and children are robust, effective and modern Introduce remote learning options Ensure children most impacted by C-19 have appropriate support and are able to catch up where they have fallen behind 		All schools in the Trust were very effective during the pandemic
TEACHING AND LEARNING	<ul style="list-style-type: none"> Evaluate the extent to which SOLA is affected by, and promotes, unconscious bias against the BAME community and take actions to counter it 		Clear strategy now in place and work started
	<ul style="list-style-type: none"> Complete the revision of the 'intent' of our curriculums Introduce new RSHE curriculum 		Good progress made in schools - not yet fully cross-Trust
			Highly successful introduction – to be embedded and monitored
	<ul style="list-style-type: none"> Introduce further small learning communities across Trust, including coaching groups. 		New groups include NQTs/NQT+1 (ECT), PPG and COVID-19 Catch-Up
PEOPLE MANAGEMENT	<ul style="list-style-type: none"> Carry out a forensic, research-based review of PP spending and, linked with the COVID-19 Catch-Up funding, ensure best value and maximised impact on pupil progress is achieved 		COVID-19 Catch-Up and PPG Groups established and a new planning format introduced
	<ul style="list-style-type: none"> Ensure strategies used for promoting well-being within schools are actioned cross Trust 		Good practice is developing well
	<ul style="list-style-type: none"> Complete training for those aspiring to be Senior Leaders Develop a 'SOLA offer' to all staff outlining training opportunities they can expect 		Middle Leader training delivered
	<ul style="list-style-type: none"> Develop and deliver localised staffing solutions to secure in-year surpluses in all schools 		Significant progress achieved. New roles are positioned appropriately

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

	<ul style="list-style-type: none"> Achieve an understanding of best practice in succession planning 		Succession Planning approach researched and implemented.
BUSINESS MANAGEMENT	<ul style="list-style-type: none"> Review cash flow opportunities across the Trust 		Complete
	<ul style="list-style-type: none"> Ensure effective use of the Catch-Up fund 		
	<ul style="list-style-type: none"> Provide localised staffing solutions where workforce structure is leading to deficit 		Significant progress achieved. New roles are positioned appropriately
	<ul style="list-style-type: none"> Achieve further growth and standardisation of wraparound care and lettings Engage support to develop a three year cross-Trust ICT strategy 		Achieved. Wraparound capacity grown across the Trust
	<ul style="list-style-type: none"> Review and develop the Trust infra-structure, assets and location 		Plan in place to move Trust personnel to a newly formed Trust Hub.
PARTNERSHIP	<ul style="list-style-type: none"> Take steps to deliver the following, whether virtual or 'live' <ul style="list-style-type: none"> Music and sports events LitFilmFest Celebration at iMax Music tuition 		The pandemic restrictions have made arranging events extremely challenging.
	<ul style="list-style-type: none"> Pursue further opportunities to engage with local CEOs, COOs and Trusts, including through SESL 		Regular attendance at SESL events – discussions with CEOs
	<ul style="list-style-type: none"> Establish an Associate Membership offer 		Associate Membership offered to Orchard Way Primary School (OWPS) and accepted
	<ul style="list-style-type: none"> Explore the opportunity to run the new LBB Free Special School 		Due diligence carried out and option to apply not taken up.

The Board are pleased to report that subject to the resource and on-site restrictions imposed by COVID-19 related school closures, all significant aims and objectives were met.

Public benefit

The Board confirms that it has complied with the duty in Section 17 (5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. It has referred to the guidance in the Charity Commissions general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Board considers how planned activities will contribute to the aims and objectives they have set. The principal public benefit of the Trust is the advancement of education within the local community.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report

Achievements and performance

In addition to the performance against the key growth strategy actions outlined above, Trustees are pleased to include the following summary achievements and Key Performance Indicator outcomes.

- The Trust provided quick, decisive and effective leadership in continuing response to the COVID-19 challenge. Each school demonstrated above national average participation rates during each school lockdown and provided excellent childcare and support facilities for critical worker and vulnerable children.
- Close working relationships of small groups across the Trust have deepened, particularly SMT, DSLs, SENCOs and subject leaders.
- Partnership with TES Institute has ensured we are able to train and develop new staff, and address recruitment challenges.
- Attainment across the board is above national averages, and usually above London averages.
- Our Additionally Resourced Provisions have gone from strength to strength and continue to provide leadership across the Borough.
- Pupil progress is generally positive in Reading and Mathematics, and we are working on improving outcomes in Writing.
- Financial probity and sustainability:
 - Well established and highly efficient Central Finance Team, with a sophisticated reporting suite;
 - Audit that credits the quality of financial management;
 - Clear route and attainment in addressing challenges of reduced income;
 - Extended central services now including premises management and HR administration continue to drive economies of scale and cost effectiveness.
- Partnering with other Trusts and Schools:
 - We have worked closely with a local Croydon school to offer and receive support under an Associate Membership arrangement with a view to progressing to conversion.

Key Financial Performance Indicators

The following targets have been set in the area of value for money and business efficiencies:

Target 1: For funds carried forward at the end of each year to be in surplus;



The Trust is performing in accordance with expectations in this aspect:

- Budget forecasts show a Trust surplus at the end of August 2023.

Target 2: For the ratio between teaching and education support roles FTE to not exceed 0.65 education support staff to teaching staff



The Trust is performing in accordance with expectations in this aspect:

- The Trust has met its target of not exceeding 0.65 ratio with a maximum school ratio of 1.0

Target 3: For 3% of income to be self-generated;



The Trust is performing in accordance with expectations in this aspect:

- The Trust has met its target by achieving an annual average self-generated income of 4% of all income

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Target 4: For the budgeted in-year balance as a percentage of total income to be positive.



The Trust is not yet meeting this target over each of the forthcoming three years.

- The Trust meets this target for 2021-22 but forecasts a small in-year deficit for 2022-23.

Key Performance Indicators

Our Key Performance Indicators reflect the vision of the Trust and centre on pupil progress and attainment; pupil happiness and safety; parental preference; Ofsted outcomes; staff absence and retention; and value for money/business efficiencies.

Data has been captured for each of the KPIs and shared with the SMT and Trustees. The availability of data has been impacted by COVID-19 but Trustees have scrutinised all KPI data and are delighted with the progress made in the academic year.

Pupil Progress and Attainment

As a result of the COVID-19 pandemic pupils did not take part in nationally reported assessments in Summer 2021. It is not possible, therefore, to evaluate performance according to KPIs. However, in order to measure attainment and progress across the Trust, formal summative assessments were carried out in each school and compared with average attainment within the Trust between 2016 and 2019. The outcomes of these assessments are summarised below.

Attainment:

- In EYFS and the Year 1 Phonics Check there was a deficit in attainment between 2021 and the average SOLA attainment between 2016 and 2019, suggesting that the youngest children may have been most affected by the pandemic.
 - Fewer pupils in EYFS achieved a 'Good Level of Development' in all of our schools than in any of the last three years.
 - A similar percentage of pupils in Year 1 at TPS met the expected standard in the Phonics Check as had in 2019, but this was not the case in our other schools.
- Attainment at the end of Key Stage One was broadly similar to the SOLA average over the past four years, and in line with, or just above the national and London averages in 2019.
- Attainment in the Year 4 Multiplication Tables Check varied between schools. The best 'performance' in these checks came at DWJS.
- Outcomes at the end of Key Stage Two this year were broadly similar to the average between 2016 and 2019, and in line with the 2019 national averages. Attainment levels were broadly similar across four of the schools, with the best outcomes at DWJS and TPS.
- The thirty-four pupils deemed to be disadvantaged attained standards below their peers on average, although their attainment was higher than the attainment of similar pupils in 2019.

Progress:

- At least 20% of all pupils with Lower Prior Attainment (LPA) made accelerated progress in Reading, Writing and Maths;
- Other than the disadvantaged pupils in writing, at least 83% of middle attainers made expected progress in all subjects;
- The conversion rate of pupils with High Prior Attainment was good in Reading and Mathematics.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Pupil Happiness and Safety

SOLA continues to perform in accordance with expectations in this aspect.

- According to a parent survey, pupils in SOLA schools are:
 - Happier than their peers in London and nationally;
 - Better cared for than their peers in London and nationally;
 - Feel safer than their peers in London and nationally.
- Attendance figures reflect that pupils feel happy and safe:
 - The overall absence of all children in SOLA schools is:
 - Consistently lower than the national average;
 - Reducing over time whilst the national average has risen slightly.
 - The percentage of persistent absentees within SOLA has fallen since 2015.

Parental Preference

One aspect or more of performance in this area represents a risk, but the deviation is within the Trust's tolerances.

- Other than CPS, all SOLA schools are at or above 97% capacity;
- The ratio of applications to places was above 3:1 in all SOLA schools in 2021;
- All but two schools (GSGPS and TPS) were over-subscribed in 2021;
- Parent surveys continue to reflect satisfaction above national and London averages in all areas.

Ofsted Outcomes

There were no Inspections within the Trust in the last year, but SOLA continues to perform in accordance with expectations in this area:

- All schools are judged at least 'Good' in all areas;
- GSGPS rating was raised from 'Requires Improvement' to 'Good' in 2018;
- Where schools have received a two day (S5) inspection at least one aspect was deemed to be 'Outstanding'.

Staff Absence and Retention

SOLA continues to perform in accordance with expectations in this aspect:

- The percentage of staff who've left SOLA has fallen each year since 2017/18;
- A Trust-wide staff survey was highly positive, showing high levels of pride, enjoyment, understanding of strategic direction and roles;
- The average teaching days lost through sickness absence has reduced each year since 2017, and is below national averages.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Ratings Summary

Key Performance Indicator	RAG			Current Concerns
	2018	2019	2021	
A. Pupil Progress and Attainment (Overall)				Progress to end of KS2 and of Disadvantaged Pupils
A.i - Early Years Foundation Stage			N/A	
A.ii – Phonics Screening Check (Year 1)				Attainment at three schools (CPS, PBPS and GSGPS) in 2019
A.iii – End of Key Stage One				
A.iv – Attainment at end of KS2				Attainment at CPS dipped significantly in 2019
A.v – Progress to end of KS2			N/A	Progress in Writing (all SOLA schools); Progress in Maths at GSGPS; Progress at DWJS.
A.vi – Progress of disadvantaged pupils			N/A	Progress of disadvantaged children is an ongoing concern
B. Pupil Happiness and Safety (Overall)				
B.i – Attendance				
B.ii – Survey Data				
C. Parental Preference (Overall)				
C.i – Pupil Numbers and Admissions				Pupil numbers at CPS slow to re-build. Low intake at GSGPS 2021
C.ii – Parent Surveys			N/A	
D. Ofsted Outcomes (Overall)				
E. Recruitment, Absence and Retention				
E.i – Staff Who Leave – Exit Interviews				
E.ii – Teachers Who Leave				
E.iii – Staff Surveys				
E.iv – Teacher Sickness Absence				

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Going concern

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

The Trustees understand their responsibility and recognise the following as examples by which they inform themselves to best promote the success of the company and to demonstrate sensitivity to the decisions and relationships they have established in the best interests of the trust:

- Developed a sophisticated and detailed Growth Strategy which is revised, reviewed and agreed annually
- Agreed a series of appropriate KPIs by which to track pupil and trust performance and which serve as early indicators for corrective action
- Developed an extensive and sophisticated financial reporting suite which is circulated monthly to all key stakeholders
- Trustees undertake an annual review of the Values and Vision of the Trust
- Responded swiftly and in line with government guidance to manage school closures and then reopening, with the health and safety of all staff and children at the forefront of all decision making
- Review the value and visions of the company annually
- Provided all staff with access to full HR support and an Employee Assistance Program
- Established a Diversity Working Committee to drive change and promote the inclusive nature of the Trust.

Financial review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers, to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds".

Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the Trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending. Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of Trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and local authorities, our share of the Local Government Pension Scheme (LGPS) deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The following balances held were held at 31 August:

Fund	Category	2021 £'000	2020 £'000
GAG	Restricted General Funds	138	109
Other DfE/ESFA Grants	Restricted General Funds	134	61
Other Gov't Grants	Restricted General Funds	4	-
Other Income	Restricted General Funds	49	2
Sub-total – General Restricted Funds		325	172
Unspent Capital Grants (less loans)	Restricted Fixed Asset Fund	463	525
Other Income	Unrestricted General Fund	627	632
Sub-Total – Spendable Funds		1,415	1,329
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	31,198	31,183
Share of LGPS Deficit	Restricted Pension Reserve	(3,712)	(3,742)
Total – All Funds		<u>28,901</u>	<u>28,770</u>

During the year under review, general restricted funds increased by £153k (2020: decreased by £65k) and unrestricted general funds decreased by £5k (2020: increased by £68k). After LGPS valuation adjustments, depreciation and capital income and expenditure, overall funds increased by £131k (2020: increased by £499k).

Reserves policy

The Academy Trust Board reviews the level of reserves annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. It is the Trustees' policy to maintain a prudent level of reserves and a surplus of unrestricted reserves which can be used to assist in the funding of the Trust's development plan. The Trustees will ensure that the reserves policy continues to conform to the requirements laid down in the Academy Trust Handbook produced by the Education and Skills Funding Agency.

The Board has agreed the following reserves policy:

- All academies are targeted with retaining 5% of GAG income as a reserves target. Schools with reserves above 5% need only set a break-even budget and can utilise reserves (with permission of the Board). They can go below this minimum level (with the Board's permission) if there was a specific large necessary project but a plan would have to be drawn up which showed how they would return to the minimum reserve level. Academies which are currently below minimum reserve levels should set a surplus budget with a plan to return to minimum reserves within an agreed time frame.
- The Trust is targeted to demonstrate a total reserves retention of 5% of total GAG income, approximately £393,000.

The Trust's level of free reserves (unrestricted funds) is in line with its reserves policy. Taking into account anticipated future funding pressures and subject to regular review, the Board anticipates the policy of maintaining free reserves at a level of 5% of income to continue.

Investment policy

There are no investments held beyond cash and short-term money market deposits retained with the major UK clearing banks. Speculative investments are not permitted.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to academic performance / finances / child welfare / admissions. The Trustees have implemented a number of systems to assess risks that the Trust faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The risk management process has been codified in a Risk Register overseen by the Board. There is also a Risk Register for each school. All risk registers are reviewed termly. Processes to seamlessly connect Internal Audit Control scrutiny with actions identified by Risk Management are being developed.

School and Trust risk registers identify the principal financial risk faced by the Trust is that of on-going pressure on funding resulting in the risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the Board of actual financial performance, mitigates the risk. The Trust has introduced additional LGB and cross-Trust engagement and reporting to increase scrutiny and support. The Senior Management Team have reviewed and agreed cross-Trust expenditure reduction and revenue generation opportunities.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), Trustees consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Our fundraising practices

The Trust has keenly encouraged fundraising efforts within each school across the Trust. Tubbenden Primary School has a Fundraising Lead and each school has driven fundraising efforts within the remit of the School Business Manager role and deliverables.

Fundraising across the Trust has been focused on the following initiatives:

- The majority of Trust schools now host a school holiday camp.
- Most Trust schools have an extensive lettings portfolio including holding before-school, lunchtime and after-school activities for both children of the school and parents and children in the wider local community. Whilst COVID-19 has had a negative impact on income generation in this area, the capacity of the Trust's wraparound care provision has increased in 2019-20 and increased profitability is forecast.
- A number of bids have been made for grants with which to fund outdoor play equipment via the Tesco Bags for Help scheme.
- Each school seeks an annual voluntary parental contribution from which extra curriculum activities are funded.

Fundraising and voluntary contributions are monitored via the Central Finance Team and now contribute to unrestricted monies. The Trust does not work with professional / commercial fundraisers and has received no complaints in the year under review.

All fundraising is undertaken by the Trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, our websites and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

The Trust complies with the Fundraising Regulator's Code of Fundraising Practice and UK law.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Streamlined energy and carbon reporting (SECR)

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	2,228,086	2,070,067
Energy consumption break down (kWh) (optional)		
• gas	1,695,119	1,575,694
• electricity	532,967	494,373
• transport fuel	0	0
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	310	290
Owned transport – mini-buses	0	0
<u>Total scope 1</u>	310	290
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	113	115
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	0	0
Total gross emissions in metric tonnes CO2e	423	405
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.23	0.21

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 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We continue to seek opportunities through government capital funding schemes to install LED fittings, as they are a more energy efficient source of lighting. Two schools within the Trust already have LED fittings installed and a third has had a partial install of LED fittings. All new mechanical upgrades are planned with the support of external mechanical engineers to improve efficiency and insulation of heat and hot water supplies.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Plans for the future

The Board's main plans for future periods are:

- to support each school to identify, size and mitigate the impact of school closures on the progress, attainment and wellbeing of the Trust's children;
- to support and develop the wellbeing of all Trust staff;
- to support each school in delivering its School Improvement Plan objectives by setting strategic direction, ensuring accountability, and monitoring and evaluating school performance;
- to improve the effectiveness of each school by keeping the curriculum and organisational structure under continual review;
- to ensure the Trust continues to achieve best value for money for all funds expended; to support each school to drive best value for money, expenditure reduction and income generation;
- to comply with all appropriate statutory and curriculum requirements; and
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

Funds held as custodian trustee

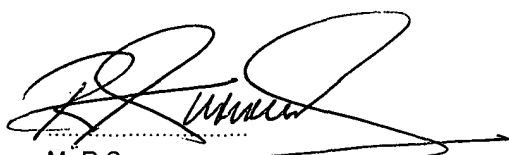
The Academy does not hold funds as custodian trustee on behalf of others.

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.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 8th December 2021 and signed on the Board's behalf by:



Mr R Summers

Chair of Trustees

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between South Orpington Learning Alliance Multi-Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr R Summers	6	6
Mrs J Riley	5	6
Mr R Sampson	6	6
Mr C Howse	6	6
Mrs K Soole	6	6
Mrs L Court	5	6
Miss C Howells	5	6
Mrs K Bowden-Brown	6	6

There have been no changes to the composition of the Board, other than the appointment to the Board of Miss C Howells and Mrs K Bowden-Brown on 01.09.2020. Mrs S Odusola was also appointed as a Trustee on 01.10.2021.

The Board has focused its work throughout the year on a number of key deliverables including:

- Providing quick, decisive and effective leadership in continuing response to the COVID-19 challenge.
- Driving cross-Trust process improvement and resulting uplift in Number on Roll.
- Using Trust Senior Leader resource flexibly to move quickly and effectively to address staffing gaps and opportunities as they arose.
- Delivering a detailed and sophisticated 3 year budget forecast for each school within a refined Trust framework, and for the Trust; supporting close scrutiny and reduction in staffing structure forecast costs.
- Working to establish Associate Membership with partnering schools.
- Focusing the Trust on driving forward towards a fully diverse and inclusive teaching, learning and staffing community.

The Board is pleased to continue to embed an effective, value for money Growth Strategy focused on improving the outcomes for children across the Trust. The Growth Strategy is supported by clear KPIs and a Central Finance Team executing effective processes.

Governance reviews:

The Board of Trustees completed a governance review during the year which comprised a skills audit. Where gaps were identified, plans were implemented to address these through Trustee training and recruitment.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trust Finance and Audit Committee is a committee to which the main Board of Trustees has delegated responsibility. Its purpose is:

- Regular monitoring of actual income and expenditure
- Review and recommendation of the annual budget
- Review the reports of the auditors on the effectiveness of the financial procedures and controls
- Fulfil the role of an Audit Committee
- Appoint the auditors

Attendance during the year at meetings of the Trust Finance and Audit Committee was as follows:

Trustees	Meetings attended	Out of possible
Mrs J Riley	4	4
Mr R Sampson	4	4
Mr C Howse	4	4
Miss C Howells	4	4

The Finance and Audit Committee have focused their work on effective budget monitoring and audit oversight. In addition, and of note, the committee have undertaken the following:

- Agreed the appointment of a new Trust external auditor and a Trust internal auditor
- Undertaken regular budget monitoring (including Deficit Recovery plan)
- Agreed annual top slice and the introduction of a back-office levy
- Reviewed and agreed Reserves Policy
- Agreed Condition Improvement Fund (CIF) contributions
- Reviewed Internal Audits and agreed Internal Audit Charter
- Reviewed and approved Leadership Pay recommendations
- Considered and discussed income generation activities
- Reviewed Benchmarking Report
- Reviewed Annual Gender Pay Gap report
- Reviewed and ratified all financial statutory returns
- Reviewed the impact of COVID-19 on budgets.

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, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Imbedding a new Estates Management structure and team; pooling caretaking resource across the Trust to maximise efficiency and drive best value of both Trust resource and supplier engagements.
 - Continuing to target improved outcomes for children in all key areas across all schools through continuing use of Teaching and Learning reviews and cross-site monitoring and engagement.
 - Continuing the rollout of Trust-wide contracts ensuring that high value, high impact contracts have been targeted to best exploit economies of scale.
 - Ensuring that common training requirements for both staff and governors have been identified across the schools and delivered at best value for money.
 - Maximising Condition Improvement Fund outcomes by driving out best practice across the Trust under the remit of the Estates Manager.
 - Expanding the Trust lettings portfolio to increase revenue generation and community engagement.
 - Revising wraparound care arrangements to offer an improved service and increase revenue generation.
 - Renegotiating key contracts including catering, cleaning and audit provision.
-

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

- Ensuring that the Board receives and reviews financial reports and evaluates actual expenditure against budget and makes robust challenges of spending and other strategic decisions.
- Regular review of the individual school budgets by the Central Finance Team and SBMs in which income and expenditure against national good practice and benchmarking are monitored.
- Ensuring that appropriate quotes are sought and tender procedures followed as set out in the Trust Financial Regulations Manual written in accordance with the Academies Financial Handbook.
- Continuing to review ways of making efficiency savings in all areas including curriculum delivery, staffing and all administrative areas.

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

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

In particular it includes:

- comprehensive budgeting and monitoring systems with budget data reviewed and agreed at each Board meeting;
- regular financial monitoring reviews by the Finance and Audit Committee and subsequently the Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- ensuring that Trust KPIs reflect financial goals, are monitored and that KPI targets are met;
- clearly defined purchasing (asset purchase and capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

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

- testing of payroll systems
- testing of purchasing systems
- checks on income collection processes
- testing of control account/ bank reconciliations
- testing of anti-fraud measures

On a termly basis, McCabe Ford Williams reports to the Board of Trustees, through the Finance and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Review of effectiveness

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

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

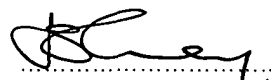
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Trust Finance and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 8th December 2021 and signed on its behalf by:



Mr R Summers

Chair of Trustees



Mr J Turvey

Accounting Officer

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

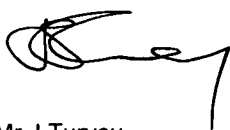
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As Accounting Officer of South Orpington Learning Alliance Multi-Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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



Mr J Turvey
Accounting Officer

8th December 2021.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees (who are also the directors of South Orpington Learning Alliance Multi-Academy Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with the Academies Accounts Direction 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these Financial Statements, the trustees are required to:

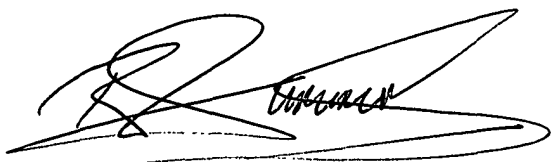
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on th 8 December 21 and signed on its behalf by:



Mr R Summers
Chair of the Board of Trustees

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the Financial Statements of South Orpington Learning Alliance Multi-Academy Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

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 academy trust 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

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

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

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

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Other information

The trustees are responsible for the other information, which 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 including the incorporated Strategic Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the trustees' report including the incorporated 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 academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' Report, including the incorporated Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, 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.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal assurance reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: <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.

David John Walsh FCCA (Senior Statutory Auditor)

For and on behalf of Baxter & Co

Chartered Certified Accountants

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 13 December 2021

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 20 January 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by South Orpington Learning Alliance Multi-Academy Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to South Orpington Learning Alliance Multi-Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the South Orpington Learning Alliance Multi-Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than South Orpington Learning Alliance Multi-Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of South Orpington Learning Alliance Multi-Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of South Orpington Learning Alliance Multi-Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure. The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academies Financial Handbook 2020, issued by the ESFA.
- Consideration of compliance with the 'musts' in the Academies Financial Handbook.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Baxter & Co
Independent Reporting Accountants
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 13 December 2021

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000	Total 2020 £'000 (Restated)
Income and endowments from:						
Donations and capital grants	3	13	26	688	727	1,034
Charitable activities:						
- Funding for educational operations	4	182	10,112	-	10,294	9,752
Other trading activities	5	266	1	-	267	344
Investments	6	-	-	-	-	1
Total		<u>461</u>	<u>10,139</u>	<u>688</u>	<u>11,288</u>	<u>11,131</u>
Expenditure on:						
Raising funds	7	2	10	-	12	28
Charitable activities:						
- Educational operations	9	337	10,506	799	11,642	11,415
Total	7	<u>339</u>	<u>10,516</u>	<u>799</u>	<u>11,654</u>	<u>11,443</u>
Net income/(expenditure)		122	(377)	(111)	(366)	(312)
Transfers between funds	18	(127)	63	64	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	20	-	497	-	497	811
Net movement in funds		(5)	183	(47)	131	499
Reconciliation of funds						
Total funds brought forward		632	(3,570)	31,708	28,770	28,271
Total funds carried forward		<u>627</u>	<u>(3,387)</u>	<u>31,661</u>	<u>28,901</u>	<u>28,770</u>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2020 £'000 (Restated)
Income and endowments from:					
Donations and capital grants	3	38	44	952	1,034
Charitable activities:					
- Funding for educational operations	4	175	9,577	-	9,752
Other trading activities	5	329	15	-	344
Investments	6	1	-	-	1
Total		<u>543</u>	<u>9,636</u>	<u>952</u>	<u>11,131</u>
Expenditure on:					
Raising funds	7	-	28	-	28
Charitable activities:					
- Educational operations	9	304	10,319	792	11,415
Total	7	<u>304</u>	<u>10,347</u>	<u>792</u>	<u>11,443</u>
Net income/(expenditure)		239	(711)	160	(312)
Transfers between funds	18	(171)	137	34	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	811	-	811
Net movement in funds		68	237	194	499
Reconciliation of funds					
Total funds brought forward		564	(3,807)	31,514	28,271
Total funds carried forward		<u>632</u>	<u>(3,570)</u>	<u>31,708</u>	<u>28,770</u>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £'000	2020 £'000
Fixed assets			
Tangible assets	13	31,198	31,183
Current assets			
Debtors	14	779	795
Cash at bank and in hand		1,741	1,678
		2,520	2,473
Current liabilities			
Creditors: amounts falling due within one year	15	(1,029)	(1,054)
Net current assets		1,491	1,419
Total assets less current liabilities		32,689	32,602
Creditors: amounts falling due after more than one year	16	(76)	(90)
Net assets before defined benefit pension scheme liability		32,613	32,512
Defined benefit pension scheme liability	20	(3,712)	(3,742)
Total net assets		28,901	28,770
Funds of the academy trust:			
Restricted funds	18		
- Fixed asset funds		31,661	31,708
- Restricted income funds		325	172
- Pension reserve		(3,712)	(3,742)
Total restricted funds		28,274	28,138
Unrestricted income funds	18	627	632
Total funds		28,901	28,770

The Financial Statements on pages 30 to 55 were approved by the Trustees and authorised for issue on 8th December 21 and are signed on their behalf by:



Mr R Summers
Chair of the Board of Trustees

Company Number 07943613

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities			
Net cash provided by operating activities	21	205	170
Cash flows from investing activities			
Dividends, interest and rents from investments		-	1
Capital grants from DfE Group		665	952
Capital funding received from sponsors and others		23	28
Purchase of tangible fixed assets		(814)	(1,129)
Net cash used in investing activities		(126)	(148)
Cash flows from financing activities			
Repayment of long term loan		(15)	(10)
Finance costs		(1)	-
Net cash used in financing activities		(16)	(10)
Net increase in cash and cash equivalents in the reporting period		63	12
Cash and cash equivalents at beginning of the year		1,678	1,666
Cash and cash equivalents at end of the year		1,741	1,678

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

1.1 Basis of preparation

The Financial Statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the Financial Statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

1.3 Income

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

Grants

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

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

Donations

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

Other income

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

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the Financial Statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

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

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

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

Freehold Land	Not depreciated
Freehold/Leasehold Land and Buildings	2% Straight Line
Computer equipment	33.33% Straight Line
Fixtures, fittings & equipment	15% Straight Line

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.

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

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

1.10 Pensions benefits

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

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

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

1.11 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement

Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Grants	-	-	-	27
Capital income	-	688	688	952
Other donations	13	26	39	55
	<u>13</u>	<u>714</u>	<u>727</u>	<u>1,034</u>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000 (Restated)
DfE / ESFA grants				
General annual grant (GAG)	-	7,863	7,863	7,637
Other DfE / ESFA grants:				
- UIFSM	-	230	230	241
- Pupil premium	-	296	296	291
- Others	-	551	551	540
	-	8,940	8,940	8,709
Other government grants				
Local authority grants	-	902	902	715
Other Government Grants	-	16	16	24
	-	918	918	739
COVID-19 additional funding (DfE / ESFA)				
Catch-up premium	-	159	159	-
Other DfE / ESFA COVID-19 funding	-	-	-	20
COVID-19 additional funding (non-DfE / ESFA)				
Coronavirus job retention scheme grant	-	20	20	48
	-	179	179	68
Other funding				
Catering income	120	-	120	159
Other incoming resources	62	75	137	77
	182	75	257	236
Total funding	182	10,112	10,294	9,752

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the DfE and ESFA, the Academy Trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding". The related expenditure is recorded under the appropriate heading in notes 7 and 9, below.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000 (Restated)
Hire of facilities	77	-	77	97
Income from facilities and services	187	1	188	167
Other income	2	-	2	80
	<u>266</u>	<u>1</u>	<u>267</u>	<u>344</u>

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Short term deposits	-	-	-	1
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>

7 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2021 £'000	Total 2020 £'000 (Restated)
Expenditure on raising funds					
- Direct costs	-	-	12	12	28
Academy's educational operations					
- Direct costs	7,094	639	546	8,279	7,933
- Allocated support costs	1,922	732	709	3,363	3,482
	<u>9,016</u>	<u>1,371</u>	<u>1,267</u>	<u>11,654</u>	<u>11,443</u>

Net income/(expenditure) for the year includes:

	2021 £'000	2020 £'000
Fees payable to auditor for:		
- Audit	11	15
- Other services	10	12
Operating lease rentals	5	4
Depreciation of tangible fixed assets	799	792
Bank and loan interest	1	-
Net interest on defined benefit pension liability	60	68
	<u>886</u>	<u>900</u>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Central Services

The Academy Trust charged each individual academy a flat percentage of 5.5% of GAG income to fund central services plus a Back-Office Levy. Additional reserves contributions were also made based on reserve levels. The central services include:

- School improvement support
- Payroll and HR service
- Financial support
- Teaching and learning support
- Legal services
- Training
- Insurance, banking and audit services
- Estates/Premises management support

The amounts charged during the year were as follows:

	2021	2020
	£'000	£'000
Chelsfield Primary School	46	34
Darrick Wood Junior School	162	96
Green Street Green Primary School	189	111
Pratts Bottom Primary School	41	28
The Highway Primary School	112	52
Tubbenden Primary School	279	168
	<hr/>	<hr/>
	829	489
	<hr/>	<hr/>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000 (Restated)
Direct costs				
Educational operations	23	8,256	8,279	7,933
Support costs				
Educational operations	314	3,049	3,363	3,482
	<u>337</u>	<u>11,305</u>	<u>11,642</u>	<u>11,415</u>
Analysis of costs			2021 £'000	2020 £'000 (Restated)
Direct costs				
Teaching and educational support staff costs			7,094	6,852
Staff development			17	25
Depreciation			639	634
Technology costs			45	46
Educational supplies and services			123	69
Educational consultancy			274	208
Other direct costs			87	99
			<u>8,279</u>	<u>7,933</u>
Support costs				
Support staff costs			1,515	1,558
Defined benefit pension scheme - staff costs (FRS102 adjustment)			407	441
Staff development			6	6
Depreciation			160	158
Technology costs			2	1
Maintenance of premises and equipment			109	103
Cleaning			149	142
Energy costs			138	126
Rent, rates and other occupancy costs			129	113
Insurance			42	40
Security and transport			5	11
Catering			318	359
Finance costs			1	-
Defined benefit pension scheme - finance costs (FRS102 adjustment)			60	68
Legal costs			1	2
Professional Fees			92	98
Other support costs			202	229
Governance costs			27	27
			<u>3,363</u>	<u>3,482</u>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Staff costs

Staff costs during the year were:

	2021 £'000	2020 £'000 (Restated)
Wages and salaries	6,508	6,315
Social security costs	595	547
Pension costs	1,433	1,417
Defined benefit pension scheme - staff costs (FRS102 adjustment)	407	441
	<hr/>	<hr/>
Staff costs - employees	8,943	8,720
Agency staff costs	66	31
Staff restructuring costs	7	100
	<hr/>	<hr/>
	9,016	8,851
	<hr/>	<hr/>

Staff restructuring costs comprise:

Redundancy payments	7	11
Severance payments	-	13
Other restructuring costs	-	76
	<hr/>	<hr/>
	7	100
	<hr/>	<hr/>

Staff numbers

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

	2021 Number	2020 Number
Teachers	105	108
Administration and support	187	180
Management	8	9
	<hr/>	<hr/>
	300	297
	<hr/>	<hr/>

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	4	5
£70,001 - £80,000	3	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<hr/>	<hr/>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £802,546 (2020: £776,574).

11 Trustees' remuneration and expenses

None of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust.

12 Trustees' and officers' insurance

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

13 Tangible fixed assets

	Freehold Land	Freehold/Leasehold Land and Buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 September 2020	2,610	30,904	632	760	34,906
Additions	-	710	69	35	814
Disposals	-	-	(102)	(1)	(103)
At 31 August 2021	2,610	31,614	599	794	35,617
Depreciation					
At 1 September 2020	-	2,707	522	494	3,723
On disposals	-	-	(102)	(1)	(103)
Charge for the year	-	630	80	89	799
At 31 August 2021	-	3,337	500	582	4,419
Net book value					
At 31 August 2021	2,610	28,277	99	212	31,198
At 31 August 2020	2,610	28,197	110	266	31,183

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

14 Debtors

	2021	2020
	£'000	£'000
Trade debtors	12	28
VAT recoverable	69	67
Prepayments and accrued income	698	700
	<u>779</u>	<u>795</u>

15 Creditors: amounts falling due within one year

	2021	2020
	£'000	£'000
Government loans	14	15
Trade creditors	89	181
Other taxation and social security	145	124
Other creditors	184	161
Accruals and deferred income	597	573
	<u>1,029</u>	<u>1,054</u>

16 Creditors: amounts falling due after more than one year

	2021	2020
	£'000	£'000
Government loans	<u>76</u>	<u>90</u>
Analysis of loans	2021	2020
	£'000	£'000
Not wholly repayable within five years by instalments	21	34
Wholly repayable within five years	<u>69</u>	<u>71</u>
	90	105
Less: included in current liabilities	<u>(14)</u>	<u>(15)</u>
Amounts included above	<u>76</u>	<u>90</u>
Loan maturity		
Debt due in one year or less	14	14
Due in more than one year but not more than two years	14	14
Due in more than two years but not more than five years	41	43
Due in more than five years	<u>21</u>	<u>34</u>
	<u>90</u>	<u>105</u>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Deferred income

	2021 £'000	2020 £'000
Deferred income is included within:		
Creditors due within one year	191	186
Deferred income at 1 September 2020	186	190
Released from previous years	(186)	(190)
Resources deferred in the year	191	186
Deferred income at 31 August 2021	191	186

The deferred income at 31 August 2021 represents funding of UIFSM of £131k (2020: £142k), Other ESFA grants £26k (2020: £26k), LA top up funding £4k (2020: £nil), School journeys paid for in advance of £28k (2020: £15k), and income from clubs, lettings and nursery fees of £2k (2020: £3k).

18 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	109	7,863	(7,915)	81	138
UIFSM	-	230	(230)	-	-
Pupil premium	25	296	(286)	(7)	28
Other DfE / ESFA grants	36	551	(533)	-	54
Catch-up premium	-	159	(107)	-	52
Other government grants	-	918	(914)	-	4
Coronavirus job retention scheme	-	20	(20)	-	-
Other restricted funds	2	102	(44)	(11)	49
Pension reserve	(3,742)	-	(467)	497	(3,712)
	<u>(3,570)</u>	<u>10,139</u>	<u>(10,516)</u>	<u>560</u>	<u>(3,387)</u>
Restricted fixed asset funds					
Fixed assets	31,708	688	(799)	64	31,661
Total restricted funds	<u>28,138</u>	<u>10,827</u>	<u>(11,315)</u>	<u>624</u>	<u>28,274</u>
Unrestricted funds					
General funds	632	461	(339)	(127)	627
Total funds	<u>28,770</u>	<u>11,288</u>	<u>(11,654)</u>	<u>497</u>	<u>28,901</u>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

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

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021. All restricted funds are available to be spent for the purposes for which the funds were received.

The Pension Reserve deficit represents the Academy Trust's share of the LGPS pension fund deficit, as valued by the scheme's actuaries. This will be eliminated over the long term, following advice from the actuaries as to contribution rates.

The Restricted Fixed Asset Fund represents the net book value of fixed assets £31,198k (2020: £31,183k) plus the unspent element of Capital funds £553k (2020: £525k), less Capital Loans totalling £90k (2020: £105k). When assets are purchased the fund is increased and depreciation charges reduce the fund.

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

	Balance at 1 September			Gains, losses and transfers	Balance at 31 August
	2019 £'000	Income £'000	Expenditure £'000	£'000	2020 £'000
Restricted general funds					
General Annual Grant (GAG)	106	7,637	(7,775)	141	109
UIFSM	-	241	(241)	-	-
Pupil premium	-	291	(266)	-	25
Other DfE / ESFA grants	14	547	(525)	-	36
Other government grants	-	787	(787)	-	-
Other restricted funds	117	133	(244)	(4)	2
Pension reserve	(4,044)	-	(509)	811	(3,742)
	<u>(3,807)</u>	<u>9,636</u>	<u>(10,347)</u>	<u>948</u>	<u>(3,570)</u>
Restricted fixed asset funds					
Fixed assets	31,514	952	(792)	34	31,708
	<u>31,514</u>	<u>952</u>	<u>(792)</u>	<u>34</u>	<u>31,708</u>
Total restricted funds	<u>27,707</u>	<u>10,588</u>	<u>(11,139)</u>	<u>982</u>	<u>28,138</u>
Unrestricted funds					
General funds	564	543	(304)	(171)	632
	<u>564</u>	<u>543</u>	<u>(304)</u>	<u>(171)</u>	<u>632</u>
Total funds	<u>28,271</u>	<u>11,131</u>	<u>(11,443)</u>	<u>811</u>	<u>28,770</u>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

Total funds analysis by academy

	2021	2020
	£'000	£'000
Fund balances at 31 August 2021 were allocated as follows:		
Chelsfield Primary School	73	78
Darrick Wood Junior School	297	238
Green Street Green Primary School	214	217
Pratts Bottom Primary School	56	45
The Highway Primary School	41	71
Tubbenden Primary School	286	194
Central Services	(15)	(39)
Total before fixed assets fund and pension reserve	952	804
Restricted fixed asset fund	31,661	31,708
Pension reserve	(3,712)	(3,742)
Total funds	28,901	28,770

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Chelsfield Primary School	394	84	7	109	594	573
Darrick Wood Junior School	1,179	184	26	301	1,690	1,708
Green Street Green Primary School	1,480	440	18	382	2,320	2,298
Pratts Bottom Primary School	388	70	5	100	563	540
The Highway Primary School	817	189	20	189	1,215	1,245
Tubbenden Primary School	2,554	472	47	487	3,560	3,623
Central Services	189	583	1	140	913	662
	<u>7,001</u>	<u>2,022</u>	<u>124</u>	<u>1,708</u>	<u>10,855</u>	<u>10,649</u>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	31,198	31,198
Current assets	627	1,340	553	2,520
Creditors falling due within one year	-	(1,015)	(14)	(1,029)
Creditors falling due after one year	-	-	(76)	(76)
Defined benefit pension liability	-	(3,712)	-	(3,712)
Total net assets	627	(3,387)	31,661	28,901

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	31,183	31,183
Current assets	661	1,024	789	2,473
Creditors falling due within one year	(29)	(852)	(174)	(1,054)
Creditors falling due after one year	-	-	(90)	(90)
Defined benefit pension liability	-	(3,742)	-	(3,742)
Total net assets	632	(3,570)	31,708	28,770

20 Pension and similar obligations

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

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

Contributions amounting to £167k were payable to the schemes at 31 August 2021 (2020: £161k) and are included within creditors.

Teachers' Pension Scheme

Introduction

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.

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.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

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 published by the Department for Education on 5 March 2019, based on values as at 31 March 2016. The subsequent valuation is pending publication.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The 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 the TPS in the period amounted to £935k (2020: £916k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are a range from 18.1% to 26.4% for employers and a range from 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy 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.

Total contributions made	2021	2020
	£'000	£'000
Employer's contributions	500	502
Employees' contributions	129	126
	<hr/>	<hr/>
Total contributions	629	628
	<hr/>	<hr/>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	4.20 to 4.30	3.80 to 3.90
Rate of increase for pensions in payment/inflation	2.80 to 2.90	2.40 to 2.50
Discount rate for scheme liabilities	1.70	1.70 to 1.80
CPI inflation (%)	2.70 to 2.80	2.30 to 2.40

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

	2021 Years	2020 Years
Retiring today		
- Males	22.90	22.80
- Females	25.30	25.20
Retiring in 20 years		
- Males	24.80	24.70
- Females	27.30	27.20

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021 £'000	2020 £'000
Discount rate + 0.1%	13,650	11,617
Discount rate - 0.1%	14,128	12,085
Mortality assumption + 1 year	14,366	12,191
Mortality assumption - 1 year	13,501	11,515
Salary rate + 0.1%	13,948	11,870
Salary rate - 0.1%	13,905	11,828
Pensions rate + 0.1%	14,209	12,091
Pensions rate - 0.1%	13,649	11,612

Defined benefit pension scheme net liability	2021 £'000	2020 £'000
Scheme assets	10,215	8,107
Scheme obligations	(13,927)	(11,849)
Net liability	(3,712)	(3,742)

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

The Academy Trust's share of the assets in the scheme	2021 Fair value £'000	2020 Fair value £'000
Equities	6,731	5,318
Government bonds	297	559
Other bonds	807	512
Cash	93	64
Property	500	308
Other assets	1,787	1,346
Total market value of assets	10,215	8,107

The actual return on scheme assets was £1,575,000 (2020: £630,000), reflective of stock market fluctuations.

Amount recognised in the statement of financial activities	2021 £'000	2020 £'000
Current service cost	890	907
Past service cost	-	20
Interest income	(152)	(128)
Interest cost	212	196
Administration expenses	17	16
Total operating charge	967	1,011

Changes in the present value of defined benefit obligations	2021 £'000	2020 £'000
At 1 September 2020	11,849	10,818
Current service cost	890	878
Interest cost	212	196
Employee contributions	129	126
Actuarial loss/(gain)	924	(218)
Benefits paid	(77)	(84)
Past service cost	-	20
Business Combinations	-	113
At 31 August 2021	13,927	11,849

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

Changes in the fair value of the academy trust's share of scheme assets

	2021	2020
	£'000	£'000
At 1 September 2020	8,107	6,774
Interest income	152	128
Actuarial gain	1,421	593
Employer contributions	500	502
Employee contributions	129	126
Benefits paid	(77)	(84)
Administration expenses	(17)	(16)
Business Combinations	-	84
At 31 August 2021	<u>10,215</u>	<u>8,107</u>

21 Reconciliation of net expenditure to net cash flow from operating activities

	2021	2020
	£'000	£'000
Net expenditure for the reporting period (as per the statement of financial activities)	(366)	(312)
Adjusted for:		
Capital grants from DfE and other capital income	(688)	(979)
Investment income receivable	-	(1)
Finance costs payable	1	-
Defined benefit pension costs less contributions payable	407	441
Defined benefit pension scheme finance cost	60	68
Depreciation of tangible fixed assets	799	792
Decrease/(increase) in debtors	16	(40)
(Decrease)/increase in creditors	(24)	201
Net cash provided by operating activities	<u>205</u>	<u>170</u>

22 Analysis of changes in net funds

	1 September 2020	Cash flows	31 August 2021
	£'000	£'000	£'000
Cash	1,678	63	1,741
Loans falling due within one year	(15)	1	(14)
Loans falling due after more than one year	(90)	14	(76)
	<u>1,573</u>	<u>78</u>	<u>1,651</u>

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

23 Long-term commitments, including operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £'000	2020 £'000
Amounts due within one year	8	5
Amounts due in two and five years	13	-
	<u>21</u>	<u>5</u>

24 Capital commitments

	2021 £'000	2020 £'000
Expenditure contracted for but not provided in the Financial Statements	<u>581</u>	<u>600</u>

At 31 August 2021 the following projects were ongoing within the Academy Trust:

Green Street Green Primary School: Fire Upgrade £69k
Chelsfield Primary School: Fire Upgrade £11k
Darrick Wood Junior School: Roof Phase 2 £204k
Tubbenden Primary School: Mechanical Upgrade £297k

25 Prior year adjustment

Allocation of income and expenditure to appropriate headings was considered following the reclassifications in the Academies Accounts Direction 2020/2021 and the ESFA chart of accounts. The allocation of income and expenditure in the prior year has been amended in order for the two years to be comparable. There was no impact on the reported surplus for the year, reserves at year end or on any balance sheet items.

SOUTH ORPINGTON LEARNING ALLIANCE MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

26 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook 2020, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and in accordance with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

The following transactions occurred during the year under review between the Academy Trust and The Friends of The Highway, an entity in which Mrs S Kenneth (a Key Personnel) is a Trustee:

- The Academy Trust received or is due to receive a total donation from The Friends of The Highway totalling £2,296 (2020: £2,550) during the period.

The following transactions occurred during the year under review between the Academy Trust and The Darrick Wood Junior School Parents / Teachers Association, an entity in which Mr A Kilgour (a Key Personnel) is a Trustee:

- The Academy Trust received a donation from The Darrick Wood Junior School Parents / Teachers Association totalling £1,457 (2020: £2,232) during the period.

The following transactions occurred during the year under review between the Academy Trust and Pratts Bottom Primary School Parent, Teacher and Friends Association, an entity in which Mrs E Hodson (a Key Personnel) is a Trustee:

- The Academy Trust received a donation from Pratts Bottom Primary School Parent, Teacher and Friends Association totalling £575 (2020: £3,240) during the period.

During the year, a member of the Trust's key management personnel disclosed a close family member's interest in Cyber Covered Limited. Subsequent to this, The Highway Primary School took out an annual policy at cost of £431 (2020: £493).

Mr A Kilgour, Headteacher at Darrick Wood Junior School, has a close family relationship with Mrs C Kilgour, an employee of the Trust. Mrs C Kilgour's appointment was made in open competition and Mr A Kilgour was not involved in the decision-making process regarding appointment. Mrs C Kilgour is paid within normal pay scales for the role and receives no special treatment as a result of being related to the Headteacher.

In entering into these transactions, the Academy Trust has complied with the requirements of the Academies Financial Handbook 2020.

27 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.