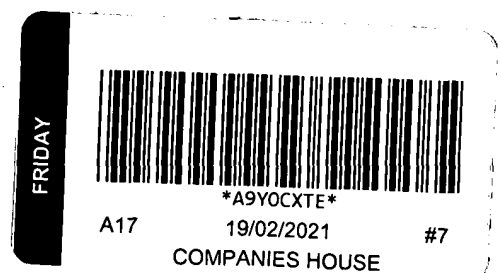


Company Registration Number: 07973980 (England & Wales)

REGISTERED COPY

SEN TRUST SOUTHEND
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



SEN TRUST SOUTHEND
(A company limited by guarantee)

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SEN TRUST SOUTHEND
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Cushion (Chair of SEN Trust Southend) C Moss F Colwell S O'Ryan (appointed 12 November 2020) J Gray (resigned 6 January 2020) F Hartle (resigned 19 September 2020)
Trustees	B Levitt, (Chair of Trustees) J Mullan, (Accounting Officer) R Gerrie M Wall K Duddridge J Oliver D Burgess N Hyde F Hartle (resigned 19 September 2020) T Robinson (appointed 12 November 2020)
Company registered number	07973980
Company name	SEN Trust Southend
Principal and registered office	The St Christopher School Mountdale Gardens Leigh-On-Sea Essex SS9 4AW
Chief executive officer	J Mullan
Senior management team	J Mullan, Executive Headteacher SEN Trust Southend A McLellan, Chief Finance Officer SEN Trust Southend L Brown, Head of School the St. Christopher School L Robinson, Headteacher Kingsdown School L Fox, Headteacher St. Nicholas School T Jackson-Owens, Headteacher Lancaster School
Independent auditors	MWS Chartered Accountants Chartered Accountants Registered Auditor Kingsridge House 601 London Road Westcliff-On-Sea Essex SS0 9PE
Bankers	LLoyds 77 High Street Southend-On-Sea Essex SS1 1HT

SEN TRUST SOUTHEND
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

SEN Trust Southend comprises 4 special academies:

The St. Christopher School – capacity for 230 students from Reception to Post 16
Lancaster School – capacity for 82 students from Key Stage 4 to Post 16
Kingsdown School – capacity for 120 students from nursery to Key Stage 3
St. Nicholas School – capacity for 92 students in secondary

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy.

The Trustees of SEN Trust Southend are also the directors of the charitable company for the purposes of company law.

The charitable company operates as SEN Trust Southend.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Trustees' indemnities

In accordance with normal commercial practice, each academy has purchased insurance to protect the trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. The premium for this insurance is included within each academy trust's general insurance premium and is not separately identifiable.

SEN TRUST SOUTHEND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The number of members and trustees shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The multi academy trust shall have the following (details have been extracted from the articles of association):

- a) Up to 9 trustees, appointed under Article 50
- b) The academy trust may also have any co-opted trustee appointed under Article 58
- c) The first trustees shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006
- d) Future trustees shall be appointed or elected, as the case may be, under the articles of association
- e) The members may appoint by ordinary resolution up to 9 trustees and
- f) The total number of trustees (including the Chief Executive Officer if they so choose to act as trustee under Article 57) who are employees of the Academy Trust shall not exceed one third of the total number of trustees

e. Policies adopted for the induction and training of Trustees

All trustees are expected to undertake training as appropriate to their work at the trust. New trustees will be provided with an induction programme as required. Trustee training is reviewed on a regular basis at meetings. The Trust has subscribed to a package of courses provided by the National Governors Association. Trustees are regularly informed of the academies' progress and activities and welcomed to attend events or visit.

f. Organisational structure

The trustees are responsible for the general policies of the multi academy trust and the day to day running of each school is delegated to the Executive Headteacher, Headteacher/Head of School and the remainder of the Senior Management Team. The day to day administration is conducted in accordance with policies and procedures approved by the local governors with only significant matters being referred to trustees for prior approval.

The Executive Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the other Headteachers/Heads of School and members of their Senior Management Team. The Executive Headteacher is an ex-officio trustee and the Principal Accounting Officer and therefore attends all meetings. The Chief Financial Officer is invited to attend trustee meetings as appropriate.

Up to 31 August 2020 the multi academy trust had the following organisation structure:

Level 1	MAT Members
Level 2	MAT Trustees
Level 3	MAT Audit & Risk Committee
Level 4	Local Governing Body
Level 5	Sub-committees of the Local Governing Body
Level 6	Executive Headteacher / Accounting Officer
Level 7	Senior Management Team

SEN TRUST SOUTHEND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

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

All personnel at each school have a set pay scale with a number of points, reaching a maximum. Local Government employees have a review in April. School teaching staff have a review in September. Each school complies with the Trust Pay Policy which is in line with local and national guidelines.

All staff have performance management objectives which they discuss with their performance team leader. The team leaders then make a recommendation to the personnel / staffing committee of the local governing body which then makes a decision whether to endorse the recommendations or not.

The exceptions are the Executive Headteacher and Headteacher / Head of School. Headteachers / Heads of School have performance targets set between the Executive Headteacher and local governing body. These are then reviewed throughout the year with a final performance review during the Autumn term. All recommendations for pay increases are subject to the maximum for the job description and pay range of the post. The Executive Headteacher has targets set by the trustees or appointed sub set of trustees. These are again reviewed by the trustees and subject to decisions within the pay range set for the level of post.

h. Related parties and other connected charities and organisations

Owing to the nature of the multi academy trust's operations and the composition of the local board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee or governor has an interest. All transactions involved such organisations are conducted at arm's length and in accordance with the multi academy trust's financial regulations and normal procurement procedures. All members, trustees and governors must complete an expression of interest form at each meeting with declares any possible business connections and conflicts of interest.

i. Engagement with employees (including disabled persons)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. Annual trust wide training and meetings take place to allow all staff to network and socialise as one big group.

All four schools work with an external HR provider who is helping to identify areas of common practice across the multi academy trust including updating a number of detailed policies in relation to all aspects of personnel matters.

In accordance with the academy's equal opportunities policy, the academy has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

SEN TRUST SOUTHEND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

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

As a multi academy trust we engage positively with all stakeholders, including suppliers, professionals, and external agencies. Principal decision making is effected by the level of engagement with stakeholders as many views need to be taken into account and considered. This happens at school level on a day to day basis and also by Trustees who are strategically focussed. Values, vision, aims and objectives contribute to the trusts long-term success as well as corporate social responsibility.

We work closely with parents and other charitable organisations who sometimes engage with schools to provide funds for specific projects and each school also works closely with community projects, including pupil led fundraising for specific activities (Children in Need, Guide Dogs for the Blind and a local charity shop which provides regular small amounts of funds for all the schools across the Trust). These projects help pupils, parents and the community understand the purpose of charitable causes and families can then appreciate when donations are made to the schools.

k. Trade union facility time

There are no staff within the multi academy trust in this category.

Objectives and activities

a. Objects and aims

The multi academy trust's objectives are specifically restricted to the following:

- a. to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school specially organised to make special education provision for pupils with Special Educational Needs ("the Special Academy"); and
- b. to promote for the benefit of individuals living in South East Essex and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

The principal objective and activity of the Multi Academy Trust is to provide education to pupils with Special Educational Needs.

The aims of SEN Trust Southend as outlined in the MAT Development Plan are:

- a. to create an outstanding community of schools working collaboratively across Southend and South East Essex to enable pupils with Special Educational Needs to achieve their best and to enable them to move on to independence, making the most of their abilities;
- b. to be able to share expertise, resources and training across the schools whilst maintaining the individual ethos, status and character of the individual school;
- c. to provide a source of training, expertise and support for mainstream schools to enable the great majority of pupils with Special Educational Needs to remain in mainstream provision, where appropriate, with the correct support; and
- d. to work within our community to ensure our young people are included, accepted and are part of the life of Southend / South East Essex.

SEN TRUST SOUTHEND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

b. Objectives, strategies and activities

SEN Trust Southend is a specialist MAT consisting of four special schools who meet the specialist placement of children/young people who have a full Education, Health and Care Plan (EHCP) across Southend and the surrounding local areas of Essex. Between the four schools, we worked with 540 pupils placed with us during 19/20 (although we were place funded for 524). We also supported a number of other mainstream schools with pupils with significant difficulties. The pupils in our schools have a range of special needs which means they are unable to access mainstream school provision. These pupils often have challenging behaviours associated with their educational needs. The only group of students who are not specifically included in our schools are those whose primary need is that of social, emotional and behavioural difficulties. However, due to placement difficulties, one of our schools has had a significant number of pupils placed with them whose primary need has been behavioural. This has meant considerable strain has been put upon this school, with staffing, the number of alternative placements needed, staff welfare and the needs of other more fragile pupils in the school. This involved some difficult decisions as to the right decisions for these more challenging pupils having to be made, and creating a stronger staff team able to work with such pupils. It has also been a priority for the development of provision across the MAT so that expertise was shared to help with this group of pupils and led to discussions which meant that we looked to tightening our descriptions, age ranges and type of pupils we are able to work with.

There is a yearly MAT development plan which sets out the strategic direction for the overall MAT. This is then broken down into individual targets, responsibilities, success criteria, and expected impact upon pupil progress and then reviewed each term and reported to the Trustees.

The overall challenges and priorities for 2019/2020 were as follows:

- Preparing papers and understanding of the 'significant changes' papers to go to the DfE to ensure the viability and success of the future of the MAT so that all stakeholders are clear of the reasoning and happy with the changes involved.
- All senior staff and governors to understand the new Common Inspection Framework and what is expected when inspection comes this school year to show the on-going work and developments within the schools.
- Continue to develop aspects of all school practices, working closer together as a MAT.

Priorities

- St. Nicholas School, Kingsdown School and Lancaster School are fully prepared for Ofsted inspections during the year.
- A full understanding of why we need to make changes in descriptions and age ranges of the four schools for the future to be articulated to all leaders, staff, parents and pupils.
- Discussions with DfE regarding the proposals to change descriptors.
- To produce a 'blue-print' for future SEN provision as envisaged for the MAT population of pupils and prepare application to ESFA for changes.
- Work with Southend LA regarding the production of their new banding system of funding to ensure no school is financially challenged by the new system and that pupil numbers are kept within manageable limits.
- Joint training and discussion opportunities.

c. Public benefit

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

SEN TRUST SOUTHEND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

d. Benefits and Beneficiaries

In accordance with its charitable objectives, the charitable company strives to advance the education and life chances of students attending the four individual schools. The charitable companies primary beneficiaries are therefore the students and benefits to students are provided through continuing to maintain a high standards of education throughout all the four schools.

Strategic report

Achievements and performance

Clearly the strategic priorities for the individual schools and the MAT changed significantly due to the pandemic and Covid 19 situation. Any report must take into account the overall effect this has had on the entire population in our schools. Many of our pupils are at greater risk due to underlying health conditions and concerns, which is why they are in our schools in the first place. Dealing with the effects of the pandemic became the number 1 priority for the MAT. As all our pupils have an EHCP then they were considered to be 'vulnerable'. Each school had to make adaptations for being open throughout the entire period of time, despite mainstream schools being able to close. The differing nature of our pupils' needs meant that it was difficult to share resources, staff and expertise to remain open. This was achieved during the Easter break, when two schools cooperated as they had the most similar pupils and staff and pupils from one school joined in school holiday activities with another.

Significantly the numbers of pupils returning to the schools across the MAT during June/July was considerable and a testament to the confidence of the parents in our ability to manage the situation.

Total numbers and percentage of pupils attending during June and July:

The St Christopher School	149 pupils (62%)
Kingsdown School	39 pupils (32.5%)
St Nicholas School	57 pupils (79.9%)
Lancaster School and College	36 pupils (21.5%)

In addition each school had to quickly develop online learning and facilities to access learning at home. This is not an easy task for SEN pupils, and although the government website provides some support it does not meet the needs of all our pupils.

Each school quickly developed tracking systems for pupils not attending and made regular contact with all parents and carers throughout the closure period to ensure the safety and welfare of all the students.

Each school developed systems for providing meals for pupils, from delivering them to homes, providing hot meals and providing vouchers – when they came on line. The first few weeks the schools had to pay for these vouchers and meals from their reserves. As a MAT with carefully gained reserves there was no access to government funds to pay for all these additional activities.

Staff at all levels, from dinner and midday, to site staff, support and admin teams and teachers were only partly available due to self-shielding for their own health needs. The number of pupils increased gradually from June to the end of July and a major achievement of the MAT was that there were no cases of Covid 19 from any of the schools during this period. All cleaning, risk assessments were rapidly put in place and were successful.

The Local Authority were all working completely remotely with very little contact during this period. Thus some of the strategic objectives were not able to be met. We were unable to gain information about the changes in banding descriptors and funding bands in time to complete this work and thus this has had to be delayed until next year. Although an increase of 4% in top-up funding has been agreed for 20/21 pupils, this just about covers the increase in pay levels.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

The Ofsted inspection system stopped and so no school can show through its inspection results how well it is achieving.

Discussions with all Local Governors and with trustee took place during the year, about the changes to age ranges and descriptions of the schools for the future. Although agreed in principle they were not able to move forwards with consultations during a pandemic and so this has been delayed.

Work on the physical development of our sites has continued, and significant work has started on the building of new classrooms and blocks at St. Nicholas school is well underway and due for completion in the next school year. Preparation and planning has been obtained for the new classroom blocks at Lancaster school. These plans will significantly enhance the provision across the MAT and enable the proprieties to be achieved in the future.

a. Key performance indicators

The trustees, specifically the audit and risk committee, work with the finance officers to ensure there are regular reviews and consistent reports to monitor significant aspects of the multi academy trust's financial operations. All external ESFA returns have been submitted on time. In particular, the activities of the respite centre at The St. Christopher School are monitored to ensure that funding for educational purposes is not used for the provision of respite services

The trustees consider the following to be the key performance indicators:

	Year ended 31/8/20	Year ended 31/8/19
Staff costs as a proportion of grant income		
Teaching and educational support staff	77.0%	71.0%
Administrative and support staff	13.6%	12.9%
Total	90.6%	83.9%
Staff costs per pupil	£19,607	£16,773

Overall attendance at the schools during 2019/20 was as follows:

The St Christopher School	91.2%
Kingsdown School	91.8%
Lancaster School	62.2%
St Nicholas School	87.0%
MAT average	83.1%

The main focus of the year was to ensure the quality of education provided was the best and reflected in our work with others and recognised by Ofsted. Of the four schools, three are graded as 'good' and one is graded as 'outstanding'. As none of the schools were inspected by Ofsted before the pandemic hit, inspections were cancelled until at least January 2021 and so this 'measure' of success will be postponed for the future.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

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

c. Promoting the success of the company

SEN Trust Southend will always promote the success of each academy and fully comply with section 172(1)(a) to (f) of the Companies Act 2006. Appropriate financial controls are in place which allow each academy to manage resources responsibly and to the benefits of all the pupils in place. To safeguard the success of each academy, appropriate advice is actively sought when needed, which allows the trust to operate with reasonable care and skill. The success of each school within the MAT is measured by Ofsted grading and parental and community perception. All schools continue to be graded either Good or outstanding. All schools are over-subscribed due to parental perception of the success of the pupil's within the schools. We have positive relations with other companies and payments are made promptly and on time. We have an overall MAT website which sets out the aims and procedures for all the schools as well as individual academy websites which promote and make clear the individual aims and objectives of each school.

Financial review

a. Reserves policy

The trustees review the reserve levels of the multi academy trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees monitor estimated year-end carry forward figures via the monthly reports from the Chief Financial Officer. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The multi academy trust's current level of free reserves is £4,314,067. This has been built up from a mixture of locally raised income and balances transferred from academy conversion. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. It is used to maximise opportunities for large scale projects over a period of time which are not funded by the day to day funds allocated to meet the needs of the pupils within the year.

At the balance sheet date, the charitable company had restricted reserves of £1,860,134 (2019: £1,566,943) and restricted fixed asset funds of £36,498,038 (2019: £36,952,685).

At 31 August 2020 the deficit of the LGPS pension scheme was £9,513,000 (2019: £7,687,000), and on the advice of the actuaries to the scheme the Trust is making payments to the scheme over a number of years, intended to eliminate this deficit. The whole amount is guaranteed by the Department for Education.

b. Investment policy

The aim of the investment policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship as and when circumstances allow.

During the period, The St. Christopher School invested £1,000,000 in a 12 month high interest deposit account.

SEN TRUST SOUTHEND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

c. Principal risks and uncertainties

The trustees maintain a risk register which is a living document, regularly reviewed and updated. Risks are allocated a degree of severity of impact based on level of risk and likelihood of an event occurring.

The trustees have identified the following key risks to SEN Trust Southend:

- a) A drop in student numbers would result in lower funding levels and possibly unviable class groups. The Local Authority controls admissions to the four academies and a reduction in referrals could have an impact on funding. At present, demand for places across the trusts remains high.
- b) The Local Authority is currently working on a new top up funding banding which will have major financial implications for each school within the academy. In the meantime, each school is still required to ensure adequate and appropriate staffing and facilities are in place, despite the uncertainty surrounding funding.
- c) Place funding continues to be a principal risk for each school. For those schools within the trust who are oversubscribed the additional pupils are not funded fully and have to be managed within the overall funding stream.
- d) The Local Authority can (and have previously) applied to the Department for Education for a reduction in their financial commitment to top up funding.
- e) Fluctuations in government funding and grants being withdrawn needs to be monitored closely for any potential financial impacts.
- f) The pupil-staff ratio is much higher in a special school. Fluctuations in the local government pension scheme, the teachers pension scheme and increases to both living and minimum wage have major financial implications for each school.
- g) With rapid advances in technology, there is a possibility that schools within the trust could be challenged to keep up with the pace of change and being prepared for on-line learning at short notice.
- h) Covid-19 has a number of risks and uncertainties in each school's ability to manage this situation. This has led to increases in costs which were not covered by government grants.
- i) Capital projects are due to start for a number of our academies, delays or overrunning issues could have implications financially and also impact on our students.

Fundraising

Each school raises independent school funds to pay for specific projects or additional activities. These funds are raised through partnerships with parents/carers and do not involve any professional fundraising companies or individuals. They are often through locality groups and other organisations who are aiming to support those with SENs in general or who have a relative attending the school. We have not had any complaints about fundraising activities. We do not specifically 'elicit' funds from external groups, but apply for grants from those who support young people with SEN's.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Streamlined energy and carbon reporting

The Trust is pleased to report its current UK based annual energy usage and associated annual greenhouse gas ("GHG") emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

The Academy's greenhouse gas emissions and energy consumption are as follows:

	2020
Energy consumption used to calculate emissions (kWh)	2,221,642
Energy consumption breakdown (kWh):	
Gas	1,156,495
Electricity	1,002,849
School minibuses	54,575
Employee owned vehicles where Trust purchases the fuel	7,723
Scope 1 emissions (in tonnes of CO2 equivalent):	
Gas consumption	213
School minibuses	14
Total scope 1	227
Scope 2 emissions (in tonnes of CO2 equivalent):	
Purchased electricity	234
Scope 3 emissions (in tonnes of CO2 equivalent):	
Employee owned vehicles where Trust purchases the fuel	2
Total gross emissions (in tonnes of CO2 equivalent):	463
Intensity ratio:	
Tonnes of CO2 equivalent per pupil	0.858

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only for all assets that come under an operational control boundary, namely the 4 schools operated by the Trust during the reporting period.

Quantification and reporting methodology

This report was compiled independently by energy consultants Briar (Briar Consulting Engineers Limited). The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed to ensure the Streamlined Energy and Carbon Reporting ("SECR") requirements were met and exceeded where possible.

The energy data was collated using existing reporting mechanisms. These methodologies provided a near continuous record of natural gas and electricity use. Transport data related to minibuses and grey fleet has been based on mileage records and fuel invoices.

The energy data was converted to carbon emissions using the 2020 UK Government GHG Conversion Factors for Company Reporting. The associated emissions are divided into the combustion of fuels and the operation of facilities (scope 1), purchased electricity, heating and cooling (scope 2) and in-direct emissions that occur as a

SEN TRUST SOUTHEND
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Streamlined energy and carbon reporting (continued)

consequence of company activities (scope 3).

The chosen primary intensity ratio is total gross emissions in metric tonnes CO₂e (mandatory emissions) per pupil (based on the Autumn census), which is the recommended ratio for the sector. As the schools we operate offer special needs education it is recognised that we have a higher staff-to-pupil ratio compared to the sector as a whole and so have also chosen to report based on total gross emissions in metric tonnes CO₂e (mandatory emissions) per employee.

Energy efficiency action during current financial year

The management of resources and the need to embed sustainability is an important issue for the Trust and the following actions related to reducing energy use were implemented within the current reporting period.

Energy consumption is expected to be below typical this year due to the reduced occupancy across all sites following COVID-19 restrictions from 23rd March 2020. From this date, the schools were open to critical worker's children only, with a phased and partial reopening for certain year groups occurring in June.

A further result of health precautions has been the greater implementation of video conferencing for staff and board meetings, reducing the need for travel to and between sites. The emission saving resulting from these activities has not been quantified, but this practice has resulted in behaviour changes that are expected to continue for the foreseeable future.

Outside of the COVID-19 response, actions this year have included the continued installation of automatic lighting controls at The St Christopher School and Kingsdown School.

Energy efficiency action prior to the current financial year

Prior to the current financial year a number of projects have been implemented across our schools to reduce energy use and carbon emissions. These include the replacement of older boiler plant with modern condensing boilers, replacing older lighting with low energy LED fittings, improving building fabric (double glazing and insulation) and improved process for the shutdown of IT equipment at the end of day at The St Christopher School. A similar programme of works was completed at Lancaster School

Plans for future periods

Plans for future periods include the upgrading of the buildings of all the schools:

- major capital works removing old demountable buildings and replacing with brick built permanent buildings
- changes to the age ranges the schools cater for with full consultations procedures
- changes to the buildings and infrastructure to meet these changed needs
- changes to vehicles in line with modernisation and removal of restrictions on drivers
- new management structures in line with the growth of school numbers

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Principal Funding Sources

The principal funding source for the trust is the Education and Skills Funding Agency (ESFA), an agency of the Department for Education.

The majority of this funding is in the form of recurrent grants, the use of which is restricted for particular purposes. As such, grants received from the ESFA and any associated expenditure are included within the restricted funds in the Statement of Financial Activities.

The trust also received grants from the ESFA to be used for capital purposes. These amounts are included within the restricted fixed assets funds and any associated expenditure if capitalised in the balance sheet and is presented as fixed assets. The restricted fixed asset fund is reduced by an appropriate depreciation charge calculated in accordance with the multi academy trust's accounting policies.

Other sources of funding are 'unrestricted' and are mainly monies collected from parents/carers for student trips, monies gifted by individuals with an association to a school and income from lettings.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2020 and signed on its behalf by:

B Levitt - Chair of Trustees

B Levitt
Chair of Trustees

J Mullan - Accounting Officer

J Mullan
Accounting Officer

SEN TRUST SOUTHEND
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 SEN Trust Southend and the Secretary of State for Education. They are 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 3 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
B Levitt, (Chair of Trustees)	3	3
J Mullan, (Accounting Officer)	3	3
R Gerrie	1	3
M Wall	1	3
K Duddridge	3	3
J Oliver	1	3
D Burgess	2	3
N Hyde	3	3
F Hartle	3	3
T Robinson	0	0

Although the Board of Trustees met fewer than six times during the year, they were provided with financial reports on a monthly basis. There is a dedicated Trustee for each school within the MAT and they are in regular contact with their schools. The Trustees met three times to discharge their responsibilities and ensure robust governance and effective financial management. In addition, the audit and risk committee met four times, separately to the full trustee board, where full financial challenge was given and minuted.

All trustees are provided with monthly reports outlining financial activities undertaken across the MAT which allows them to maintain effective oversight of funds. Each school within the trust also works with an active Local Governing Body which underpins robust governance and effective management arrangements.

The Audit & Risk Committee is a sub-committee of the main Board of Trustees.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
N Hyde (Chair)	4	4
J Mullan (advisory capacity)	4	4
D Burgess	3	4
B Levitt	4	4
K Duddridge	3	3

Governance Review

SEN TRUST SOUTHEND
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Governance has been reviewed internally and at all levels. Trustees attend local and national updates where possible. Individual schools have conducted internal reviews and we have managed to recruit new governors to schools this year. It has not been possible to conduct an external review of governance due to Covid-19 restrictions. When the situation has settled due to restrictions then a new date for a review of governance will be undertaken.

Review of value for money

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

The accounting officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy has delivered improved value for money during the year by continually challenging and reviewing purchases.

On-going discussions as to the effectiveness of various contracts and companies used to deliver services continues. We have managed to gain additional savings through bulk purchasing of some equipment, such as IT equipment (whiteboards and interactive screens) and we work together to look at possible savings with more mundane equipment such as photocopiers and service contracts with the LA for broadband. Due to the differing needs of the pupils attending each school it is not always possible for the same provider to work across the four schools. We centrally employ specialists under contract for specific services such as Educational psychologist services, when we know they are more efficient and meet our needs. These are not necessarily LA based.

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 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 SEN Trust Southend for the year 1 September 2019 to 31 August 2020 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 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 ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 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's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial

SEN TRUST SOUTHEND
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
 - clearly defined purchasing (asset purchase or capital investment) guidelines
 - identification and management of risks

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

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

Detailed checking of the internal controls was delegated to Goldwyns Chartered Accountants for the period 1 September 2019 to 31 August 2020, however, due to changes in personnel this work was not able to be completed further. One internal control review took place during the Autumn '19 term and no points of action were identified.

The addition of the Covid-19 pandemic meant that a lot of staff had to complete work remotely in a difficult set of circumstances where our schools were expected to be open. This was due to the additional vulnerabilities of the pupils (all with EHCP's) and many with social workers. Monthly reporting to all members of the audit and risk committee continued so that they could be aware of any difficulties in a more real time situation. Questions were asked and answered from finance officer level, to Headteacher and to reviews from the finance officer and EHT to then members of the audit and risk committee. This provided an additional layer of check and balances whilst the pandemic was underway and new procedures to be in place with a new external firm, appointed from September 2020.

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

Review of effectiveness

As accounting officer, the 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 auditors;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

SEN TRUST SOUTHEND
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GOVERNANCE STATEMENT (CONTINUED)

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

B Levitt - Chair of Trustees

B Levitt
Chair of Trustees

J Mullan - Accounting Officer

J Mullan
Accounting Officer

SEN TRUST SOUTHEND
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of SEN Trust Southend I have considered my responsibility to notify the Academy 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, under the funding agreement in place between the Academy 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 2019.

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

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

J Mullan - Accounting Officer

J Mullan

Accounting Officer

Date: 14 December 2020

SEN TRUST SOUTHEND
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 14 December 2020 and signed on its behalf by:

B Levitt - Chair of Trustees

B Levitt
Chair of Trustees

SEN TRUST SOUTHEND
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SEN TRUST SOUTHEND

Opinion

We have audited the financial statements of SEN Trust Southend (the 'academy') for the year ended 31 August 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

SEN TRUST SOUTHEND
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SEN TRUST SOUTHEND (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

SEN TRUST SOUTHEND
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SEN TRUST SOUTHEND (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

Jonathan Gorridge

Jonathan Gorridge FCA (Senior statutory auditor)

for and on behalf of

MWS

Chartered Accountants

Registered Auditor

Kingsridge House

601 London Road

Westcliff-On-Sea

Essex

SS0 9PE

Date: 17 December 2020

SEN TRUST SOUTHEND
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 25 June 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by SEN Trust Southend during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to SEN Trust Southend and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to SEN Trust Southend 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 SEN Trust Southend and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of SEN Trust Southend's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of SEN Trust Southend's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by 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's income and expenditure.

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

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

Conclusion

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

MWS

Reporting Accountant
MWS
Chartered Accountants

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

Date: 17 December 2020

SEN TRUST SOUTHEND
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	58,216	-	46,511	104,727	183,415
Charitable activities:	4					
Respite activities		469,750	-	-	469,750	468,695
Educational operations		-	11,214,300	-	11,214,300	10,459,416
Other trading activities		223,946	-	-	223,946	335,646
Investments	7	15,708	-	-	15,708	11,950
Total income		767,620	11,214,300	46,511	12,028,431	11,459,122
Expenditure on:						
Raising funds		85,886	28,022	-	113,908	137,445
Charitable activities:	9					
Respite activities		428,316	19,000	13,581	460,897	407,165
Educational operations		1,710	11,631,056	738,634	12,371,400	11,770,385
Total expenditure		515,912	11,678,078	752,215	12,946,205	12,314,995
Net income/(expenditure)		251,708	(463,778)	(705,704)	(917,774)	(855,873)
Transfers between funds	20	(128,026)	(123,031)	251,057	-	-
Net movement in funds before other recognised gains/(losses)		123,682	(586,809)	(454,647)	(917,774)	(855,873)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	27	-	(946,000)	-	(946,000)	(1,551,000)
Net movement in funds		123,682	(1,532,809)	(454,647)	(1,863,774)	(2,406,873)
Reconciliation of funds:						
Total funds brought forward		4,190,384	(6,120,057)	36,952,685	35,023,012	37,429,885
Net movement in funds		123,682	(1,532,809)	(454,647)	(1,863,774)	(2,406,873)

SEN TRUST SOUTHEND
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Total funds carried forward	4,314,066	(7,652,866)	36,498,038	33,159,238	35,023,012

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

The notes on pages 30 to 59 form part of these financial statements.

SEN TRUST SOUTHEND
(A company limited by guarantee)
REGISTERED NUMBER: 07973980

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	16	36,496,349	36,943,187
		<u>36,496,349</u>	<u>36,943,187</u>
Current assets			
Stocks	17	9,157	12,174
Debtors	18	283,520	179,168
Cash at bank and in hand		6,963,452	6,581,172
		<u>7,256,129</u>	<u>6,772,514</u>
Creditors: amounts falling due within one year	19	(1,080,239)	(1,005,689)
Net current assets		<u>6,175,890</u>	<u>5,766,825</u>
Total assets less current liabilities		<u>42,672,239</u>	<u>42,710,012</u>
Net assets excluding pension liability		<u>42,672,239</u>	<u>42,710,012</u>
Defined benefit pension scheme liability	27	(9,513,000)	(7,687,000)
Total net assets		<u><u>33,159,239</u></u>	<u><u>35,023,012</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	20	36,498,038	36,952,685
Restricted income funds	20	1,860,134	1,566,943
Restricted funds excluding pension asset	20	<u>38,358,172</u>	<u>38,519,628</u>
Pension reserve	20	(9,513,000)	(7,687,000)
Total restricted funds	20	<u>28,845,172</u>	<u>30,832,628</u>
Unrestricted income funds	20	<u>4,314,067</u>	<u>4,190,384</u>
Total funds		<u><u>33,159,239</u></u>	<u><u>35,023,012</u></u>

The financial statements on pages 25 to 59 were approved by the Trustees, and authorised for issue on 14 December 2020 and are signed on their behalf, by:

SEN TRUST SOUTHEND
(A company limited by guarantee)
REGISTERED NUMBER: 07973980

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

B Levitt - Chair of Trustees

B Levitt
Chair of Trustees

J Mullan - Accounting Officer

J Mullan
Accounting Officer

The notes on pages 30 to 59 form part of these financial statements.

SEN TRUST SOUTHEND
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	22	623,057	619,024
Cash flows from investing activities	23	(240,777)	(206,871)
Change in cash and cash equivalents in the year		382,280	412,153
Cash and cash equivalents at the beginning of the year		6,581,172	6,169,019
Cash and cash equivalents at the end of the year	24, 25	<u>6,963,452</u>	<u>6,581,172</u>

The notes on pages 30 to 59 form part of these financial statements

SEN TRUST SOUTHEND
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

SEN Trust Southend meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy'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 has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

SEN TRUST SOUTHEND
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

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 allocated on the portion of the asset's use.

- **Expenditure on raising funds**

This includes all expenditure incurred by the Academy 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's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.7 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Freehold buildings	- Straight line over 50 years and straight line over 10 years
Long-term leasehold	- Straight line over various expected useful lives
Improvements to property	- Straight line over 10 years
Fixtures, fittings and equipment	- 20% reducing balance
Computer equipment	- Straight line over 3 years
Motor vehicles	- 25% reducing balance

Assets in the course of construction are held on the balance sheet. Depreciation on these assets is not charged until they are brought into use.

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.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.11 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 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.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.13 Operating leases

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

1.14 Pensions

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.14 Pensions (continued)

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

1.15 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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**NOTES TO THE FINANCIAL STATEMENTS
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3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	58,216	-	58,216	101,664
Capital grants	-	46,511	46,511	81,751
	<u>58,216</u>	<u>46,511</u>	<u>104,727</u>	<u>183,415</u>
<i>Total 2019</i>	<u>101,664</u>	<u>81,751</u>	<u>183,415</u>	

4. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Educational Operations	-	11,214,300	11,214,300	10,459,416
Provision of Respite Activities	469,750		469,750	468,695
	<u>469,750</u>	<u>11,214,300</u>	<u>11,684,050</u>	<u>10,928,111</u>
<i>Total 2019</i>	<u>468,695</u>	<u>10,459,416</u>	<u>10,928,111</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. Funding for the Academy's educational operations

	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	5,265,981	5,265,981	4,861,006
Other DfE/ESFA Grants	363,969	363,969	349,668
	<u>5,629,950</u>	<u>5,629,950</u>	<u>5,210,674</u>
Other government grants			
Local Authority Grants	5,584,350	5,584,350	5,248,742
	<u>11,214,300</u>	<u>11,214,300</u>	<u>10,459,416</u>
<i>Total 2019</i>	<u>10,459,416</u>	<u>10,459,416</u>	

6. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Uniform income	5,820	-	5,820	6,349
Hire of facilities	63,519	-	63,519	101,473
Catering income	36,625	-	36,625	55,345
Training income	3,864	-	3,864	23,617
Extended school income	59,278	-	59,278	96,598
Other income	54,840	-	54,840	52,264
	<u>223,946</u>	<u>-</u>	<u>223,946</u>	<u>335,646</u>
<i>Total 2019</i>	<u>334,446</u>	<u>1,200</u>	<u>335,646</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Deposit account interest	15,708	15,708	11,950
	<u>11,950</u>	<u>11,950</u>	
<i>Total 2019</i>	<u>11,950</u>	<u>11,950</u>	

8. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Raising funds costs of fundraising:					
Direct costs	-	-	19,823	19,823	17,117
Costs incurred by trading for a fundraising purpose:					
Direct costs	-	-	94,084	94,084	120,328
Educational Operations:					
Direct costs	8,994,468	591,163	510,414	10,096,045	9,278,439
Allocated support costs	1,196,639	564,154	514,562	2,275,355	2,491,938
Provision of respite activities:					
Direct costs	-	-	14,778	14,778	6,949
Allocated support costs	396,641	41,469	8,009	446,119	400,224
	<u>10,587,748</u>	<u>1,196,786</u>	<u>1,161,670</u>	<u>12,946,204</u>	<u>12,314,995</u>
<i>Total 2019</i>	<u>9,575,711</u>	<u>1,022,395</u>	<u>1,716,889</u>	<u>12,314,995</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Educational Operations	1,710	12,369,690	12,371,400	11,770,377
Respite Activities	428,316	32,581	460,897	407,173
	<u>430,026</u>	<u>12,402,271</u>	<u>12,832,297</u>	<u>12,177,550</u>
<i>Total 2019</i>	<u>380,519</u>	<u>11,797,031</u>	<u>12,177,550</u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Educational Operations	10,096,045	2,275,355	12,371,400	11,770,377
Respite Activities	14,778	446,119	460,897	407,173
	<u>10,110,823</u>	<u>2,721,474</u>	<u>12,832,297</u>	<u>12,177,550</u>
<i>Total 2019</i>	<u>9,285,388</u>	<u>2,892,162</u>	<u>12,177,550</u>	

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10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational Operations 2020 £	Respite 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	8,994,468	-	8,994,468	8,121,445
Depreciation	738,634	-	738,634	726,382
Technology costs	103,923	-	103,923	136,498
Educational supplies	222,431	-	222,431	241,875
Examination fees	1,170	-	1,170	690
Other direct costs	37,800	2,794	40,594	55,114
Catering	-	11,984	11,984	-
(Gain)/loss on disposal of fixed assets	(2,381)	-	(2,381)	3,384
	<u>10,096,045</u>	<u>14,778</u>	<u>10,110,823</u>	<u>9,285,388</u>
<i>Total 2019</i>	<u>9,278,439</u>	<u>6,949</u>	<u>9,285,388</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Operations 2020 £	Respite 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance costs	138,000	-	138,000	136,000
Staff costs	1,196,638	396,641	1,593,279	1,454,266
Depreciation	-	13,581	13,581	13,811
Recruitment and support	95,319	269	95,588	137,361
Maintenance of premises and equipment	176,987	4,543	181,530	344,637
Cleaning	195,523	10,704	206,227	215,199
Rent and rates	5,019	3,791	8,810	25,576
Energy costs	158,021	11,165	169,186	188,243
Insurance	14,282	-	14,282	13,051
Security and transport	48,871	1,730	50,601	65,105
Interest payable and similar charges	181	-	181	554
Legal and professional fees	219,997	-	219,997	232,373
Other support costs	13,829	3,695	17,524	52,467
PPS & telephone	12,688	-	12,688	13,519
	<u>2,275,355</u>	<u>446,119</u>	<u>2,721,474</u>	<u>2,892,162</u>
<i>Total 2019</i>	<u>2,491,938</u>	<u>400,224</u>	<u>2,892,162</u>	

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	8,980	13,179
Depreciation of tangible fixed assets	752,215	740,193
(Gain)/Loss on disposal of fixed assets	(2,381)	3,384
Fees paid to auditors for:		
- audit	17,750	20,650
- other services	1,600	6,050

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	7,594,788	7,082,110
Social security costs	611,337	581,798
Pension costs	2,319,583	1,871,920
	<u>10,525,708</u>	<u>9,535,828</u>
Agency staff costs	48,259	39,883
Staff restructuring and severance costs	13,781	-
	<u><u>10,587,748</u></u>	<u><u>9,575,711</u></u>

Staff restructuring costs comprise:

	2020 £	2019 £
Severance payments	13,781	-
	<u>13,781</u>	<u>-</u>

b. Staff numbers

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

	2020 No.	2019 No.
Teaching staff	71	80
Administrative and support staff	269	240
Management staff	20	19
	<u>360</u>	<u>339</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Staff (continued)

c. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	3	3
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-
	<u>1</u>	<u>-</u>

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £607,727 (2019 £540,821).

13. Central services

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

- Corporate governance and reporting
- Provision of executive and support staff
- Financial support services
- Staff training
- Legal and audit services
- Professional fees
- IT support
- Other administrative services as arising

The Academy charges for these services on the following basis:

Charging a 'top slice' of 5.5% based on each school's top up funding.

The actual amounts charged during the year were as follows:

	2020 £	2019 £
St Christopher School	121,022	84,441
Kingsdown School	63,076	46,562
St Nicholas Secondary School	40,353	29,096
Lancaster School	46,143	31,619
Total	<u>270,594</u>	<u>191,718</u>

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NOTES TO THE FINANCIAL STATEMENTS
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14. Trustees' remuneration and expenses

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

		2020	2019
		£	£
J Mullan, (Accounting Officer)	Remuneration	115,000 -	<i>105,000 -</i>
		120,000	<i>110,000</i>
	Pension contributions paid	20,000 -	<i>15,000 -</i>
		25,000	<i>20,000</i>

During the year ended 31 August 2020, no Trustee expenses have been incurred (*2019 - £NIL*).

15. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. The premium for this insurance is included within the academy trust's general insurance premium and is not separately identifiable.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Tangible fixed assets

	Freehold property £	Long-term leasehold £	Improvements to property £	Fixtures & fittings £
Cost or valuation				
At 1 September 2019	13,375,846	24,715,335	950,141	414,141
Additions	34,318	200,743	17,725	5,141
Disposals	-	-	-	-
At 31 August 2020	<u>13,410,164</u>	<u>24,916,078</u>	<u>967,866</u>	<u>419,282</u>
Depreciation				
At 1 September 2019	1,012,373	848,580	444,247	305,141
Charge for the year	157,752	445,661	95,902	22,141
On disposals	-	-	-	-
At 31 August 2020	<u>1,170,125</u>	<u>1,294,241</u>	<u>540,149</u>	<u>327,282</u>
Net book value				
At 31 August 2020	<u><u>12,240,039</u></u>	<u><u>23,621,837</u></u>	<u><u>427,717</u></u>	<u><u>91,999</u></u>
At 31 August 2019	<u><u>12,363,473</u></u>	<u><u>23,866,755</u></u>	<u><u>505,894</u></u>	<u><u>108,282</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Stocks

	2020 £	2019 £
Uniform and catering stock	9,157	12,174

18. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	87,599	35,994
Other debtors	40,391	36,803
Prepayments and accrued income	155,530	106,371
	283,520	179,168

19. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	94,949	128,882
Other taxation and social security	141,076	138,934
Other creditors	669,266	616,145
Accruals and deferred income	174,948	121,728
	1,080,239	1,005,689

	2020 £	2019 £
Deferred income at 1 September 2019	53,296	-
Resources deferred during the year	42,166	53,296
Amounts released from previous periods	(53,296)	-
	42,166	53,296

Income was deferred during the year as follows:
Autistic Spectrum Disorder (ASD) £28,758 (2019: £28,758)
Cottage respite stays income for Sept 20 £10,676 (2019: £10,880)
Short Breaks grant £739 (2019: £739)
Money for school dinners £238 (2019: £147)
Parent contributions in advance £1,755 (2019: £nil)
Devolved Formula Capital £nil (2019: £12,522)
Donations in advance £nil (2019: £250)

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General fund	3,721,419	297,660	(87,595)	(128,026)	-	3,803,458
Respite Centre	468,965	469,960	(428,316)	-	-	510,609
	<u>4,190,384</u>	<u>767,620</u>	<u>(515,911)</u>	<u>(128,026)</u>	<u>-</u>	<u>4,314,067</u>
Restricted general funds						
General Annual Grant (GAG)	1,513,176	5,246,370	(4,620,209)	(393,626)	-	1,745,711
Other DfE/ESFA	-	35,195	(34,134)	-	-	1,061
Special Schools Top Up Funding	-	5,520,443	(5,520,443)	-	-	-
ASD	-	49,300	(49,300)	-	-	-
Looked After Children	-	14,607	(14,107)	-	-	500
Year 7 Catch Up	-	19,611	(19,611)	-	-	-
Pupil Premium	22,082	292,794	(264,977)	-	-	49,899
PE Teachers	-	35,980	(29,134)	-	-	6,846
MAT	31,685	-	(246,163)	270,595	-	56,117
Pension reserve	(7,687,000)	-	(880,000)	-	(946,000)	(9,513,000)
	<u>(6,120,057)</u>	<u>11,214,300</u>	<u>(11,678,078)</u>	<u>(123,031)</u>	<u>(946,000)</u>	<u>(7,652,866)</u>
Restricted fixed asset funds						
Inherited FA on conversion	29,849,136	-	(359,623)	-	-	29,489,513
Assets purchased	7,094,051	-	(392,592)	305,378	-	7,006,837
ESFA capital grants	-	46,511	-	(46,511)	-	-
Carry forward capital costs	9,498	-	-	(7,810)	-	1,688
	<u>36,952,685</u>	<u>46,511</u>	<u>(752,215)</u>	<u>251,057</u>	<u>-</u>	<u>36,498,038</u>
Total Restricted funds	<u>30,832,628</u>	<u>11,260,811</u>	<u>(12,430,293)</u>	<u>128,026</u>	<u>(946,000)</u>	<u>28,845,172</u>

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20. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Total funds	35,023,012	12,028,431	(12,946,204)	-	(946,000)	33,159,239

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

Unrestricted funds

These funds are to be used for the furtherance of any of the academy trust's charitable activities and can be used at the governors' discretion.

General Annual Grant (GAG)

These funds are to be used in accordance with the academy trust's funding agreement with the Secretary of State.

Restricted Fixed Asset Fund

This fund represents capital funding to be used for capital purposes less any depreciation charges on such expenditure.

Pension Deficit

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

Transfers between funds

£128,026 has been transferred from the unrestricted fund to the restricted fund representing expenditure made out of unrestricted funds.

£251,057 has been transferred from the restricted fund to the restricted fixed asset fund representing capital assets purchased from GAG.

£270,595 has been from General Annual Grant (GAG) to the MAT fund which represents the funding of central services.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
St Christopher School	4,742,274	4,255,235
Kingsdown School	446,606	472,874
St Nicholas Secondary School	489,777	574,117
Lancaster School	439,427	422,986
Central services	56,117	32,115
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	6,174,201	5,757,327
Restricted fixed asset fund	36,498,038	36,952,685
Pension reserve	(9,513,000)	(7,687,000)
	<hr/>	<hr/>
Total	33,159,239	35,023,012
	<hr/>	<hr/>

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
St Christopher School	3,907,029	883,388	54,367	477,974	5,322,758	5,030,000
Kingsdown School	2,226,827	291,801	18,151	390,342	2,927,121	2,764,000
St Nicholas Secondary School	1,287,257	158,560	111,367	209,975	1,767,159	1,747,000
Lancaster School	1,482,128	170,381	38,546	253,315	1,944,370	1,827,000
Central services	91,227	89,150	-	65,786	246,163	203,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy	8,994,468	1,593,280	222,431	1,397,392	12,207,571	11,571,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

20. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General fund	3,380,023	445,586	(104,190)	-	-	3,721,419
Respite Centre	383,519	471,168	(385,722)	-	-	468,965
	<u>3,763,542</u>	<u>916,754</u>	<u>(489,912)</u>	<u>-</u>	<u>-</u>	<u>4,190,384</u>
Restricted general funds						
General Annual Grant (GAG)	1,598,582	5,188,943	(4,853,638)	(420,711)	-	1,513,176
Special Schools Top Up Funding	-	4,897,208	(4,897,208)	-	-	-
SEN training grants	-	20,542	(20,542)	-	-	-
Looked After Children	-	14,959	(14,959)	-	-	-
Year 7 Catch Up	-	21,306	(21,306)	-	-	-
Pupil Premium	-	282,559	(260,477)	-	-	22,082
PE Teachers	-	33,900	(33,900)	-	-	-
MAT	41,569	1,200	(203,476)	192,392	-	31,685
Pension reserve	(5,360,000)	(136,000)	(640,000)	-	(1,551,000)	(7,687,000)
	<u>(3,719,849)</u>	<u>10,324,617</u>	<u>(10,945,506)</u>	<u>(228,319)</u>	<u>(1,551,000)</u>	<u>(6,120,057)</u>
Restricted fixed asset funds						
Restricted fixed asset	37,386,192	81,751	(743,577)	228,319	-	36,952,685
Total Restricted funds	<u>33,666,343</u>	<u>10,406,368</u>	<u>(11,689,083)</u>	<u>-</u>	<u>(1,551,000)</u>	<u>30,832,628</u>
Total funds	<u>37,429,885</u>	<u>11,323,122</u>	<u>(12,178,995)</u>	<u>-</u>	<u>(1,551,000)</u>	<u>35,023,012</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	36,496,349	36,496,349
Current assets	4,566,212	2,688,229	1,689	7,256,130
Creditors due within one year	(252,145)	(828,095)	-	(1,080,240)
Provisions for liabilities and charges	-	(9,513,000)	-	(9,513,000)
Total	4,314,067	(7,652,866)	36,498,038	33,159,239

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	36,943,187	36,943,187
Current assets	4,422,243	2,340,773	9,498	6,772,514
Creditors due within one year	(231,860)	(773,830)	-	(1,005,690)
Provisions for liabilities and charges	-	(7,687,000)	-	(7,687,000)
Total	4,190,383	(6,120,057)	36,952,685	35,023,011

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of financial activities)	(917,774)	(855,873)
Adjustments for:		
Depreciation	752,215	740,193
Capital grants from DfE and other capital income	(46,511)	(81,751)
Interest receivable	(15,708)	(11,950)
Defined benefit pension scheme cost less contributions payable	739,000	639,000
Defined benefit pension scheme finance cost	138,000	136,000
Decrease/(increase) in stocks	3,017	(2,544)
Increase in debtors	(104,351)	(4,304)
Increase in creditors	74,550	55,869
Gain / loss on disposal of fixed assets	(2,381)	3,384
Pension administration expenses	3,000	1,000
Net cash provided by operating activities	623,057	619,024

23. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	15,708	11,950
Purchase of tangible fixed assets	(305,996)	(337,572)
Proceeds from the sale of tangible fixed assets	3,000	37,000
Capital grants from DfE Group	46,511	81,751
Net cash used in investing activities	(240,777)	(206,871)

24. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	6,963,452	6,581,172
Total cash and cash equivalents	6,963,452	6,581,172

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NOTES TO THE FINANCIAL STATEMENTS
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25. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	6,581,172	382,280	6,963,452
	<u>6,581,172</u>	<u>382,280</u>	<u>6,963,452</u>

26. Capital commitments

	2020 £	2019 £
Contracted for but not provided in these financial statements		
Purchase, construction or development of property	<u>731,213</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments

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

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

Contributions amounting to £173,951 were payable to the schemes at 31 August 2020 (2019 - £150,095) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £666,098 (2019 - £448,464).

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,045,000 (2019 - £918,000), of which employer's contributions totalled £841,000 (2019 - £737,000) and employees' contributions totalled £ 204,000 (2019 - £181,000). The agreed contribution rates for future years are 24.2 - 25 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.25	3.65
Rate of increase for pensions in payment/inflation	2.20	2.15
Discount rate for scheme liabilities	1.65	1.9
Inflation assumption (CPI)	2.25	2.15
Inflation assumption (RPI)	3.05	3.15

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

	2020 Years	2019 Years
<i>Retiring today</i>		
Males	21.8	21.3
Females	23.8	23.6
<i>Retiring in 20 years</i>		
Males	23.2	23.0
Females	25.2	25.4

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	15,463	12,760
Discount rate -0.1%	16,453	13,603
Mortality assumption - 1 year increase	16,510	13,650
Mortality assumption - 1 year decrease	15,408	12,716
Salary increases +0.1%	16,003	13,232
Salary increases -0.1%	15,898	13,117

Share of scheme assets

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27. Pension commitments (continued)

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

	2020 £	2019 £
Equities	3,989,000	3,458,000
Gilts	275,000	302,000
Corporate bonds	361,000	309,000
Property	499,000	439,000
Cash and other liquid assets	176,000	161,000
Alternative assets	747,000	537,000
Other managed funds	390,000	281,000
Total market value of assets	6,437,000	5,487,000

The actual return on scheme assets was £157,000 (2019 - £385,000).

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

	2020 £	2019 £
Current service cost	(1,580,000)	(1,174,000)
Past service cost	-	(202,000)
Interest income	114,000	125,000
Interest cost	(252,000)	(261,000)
Administrative expenses	(3,000)	(1,000)
Total amount recognised in the Statement of financial activities	(1,721,000)	(1,513,000)

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

	2020 £	2019 £
At 1 September	13,174,000	9,560,000
Current service cost	1,580,000	1,174,000
Past service costs	-	202,000
Interest cost	252,000	261,000
Employee contributions	204,000	181,000
Actuarial losses	769,000	1,811,000
Benefits paid	(29,000)	(15,000)
At 31 August	15,950,000	13,174,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	5,487,000	4,200,000
Interest income	114,000	125,000
Actuarial (losses)/gains	(177,000)	260,000
Employer contributions	841,000	737,000
Employee contributions	204,000	181,000
Benefits paid	(29,000)	(15,000)
Administration costs	(3,000)	(1,000)
At 31 August	6,437,000	5,487,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. Pension commitments (continued)

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

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

The estimated impact on the total liabilities at 31 August 2019 was allowed for as a past service cost and has resulted in a slight increase in the defined benefit obligation as at 31 August 2020.

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

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

On 16 July 2020, the Government published a consultation on the proposed remedy to be applied to LGPS benefits in response to the McCloud and Sargeant cases. The consultation closed on 8 October 2020 and the final remedy will only be known after the consultation responses have been reviewed and a final set of remedial Regulations are published. It is not anticipated that there are any material differences between the approach underlying the estimated allowance in 2019 and the proposed remedy.

Guaranteed Minimum Pension (GMP) Equalisation

As a result of the High Court's recent Lloyds ruling on the equalisation of GMPs between genders, a number of pension schemes have made adjustments to accounting disclosures to reflect the effect this ruling has on the value of pension liabilities. HM Treasury have confirmed that the judgement "does not impact on the current method used to achieve equalisation and indexation in public service pension schemes".

It is anticipated that the Fund will pay limited increases for members that have reached State Pension Age (SPA) by 6 April 2016, with the Government providing the remainder of the inflationary increase.

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

Goodwin case

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

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

Sufficient information is not currently available to assess the actual impact on the Academy Trust but as the worst case scenario for the scheme as whole is expected to be in the region of be 0.025% no

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. Pension commitments (continued)

provision has been included within these financial statements.

28. Operating lease commitments

At 31 August 2020 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	7,664	8,980
Later than 1 year and not later than 5 years	4,083	11,290
	<u>11,747</u>	<u>20,270</u>

29. Members' liability

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

30. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 14.

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31. Academy respite trading account for the year ended 31 August 2020

	2020 £	2020 £	2019 £	2019 £
Income				
Respite income	469,750		468,695	
Respite donations	210		2,473	
	<u>469,960</u>		<u>471,168</u>	
Total income		469,960		471,168
Expenditure				
Provisions, social skills and events	14,373		16,996	
Printing and stationery	750		1,321	
Support staff costs	377,641		322,299	
Recruitment and support	218		2,516	
Maintenance of premises and equipment	4,543		10,199	
Cleaning	10,704		11,749	
Utilities	14,956		14,388	
Insurance	-		800	
Security and transport	1,731		2,362	
Other support costs	3,400		3,092	
	<u>428,316</u>		<u>385,722</u>	
Total operating costs		428,316		385,722
Net surplus on respite		41,644		85,446
Surplus brought forward		468,965		383,519
Surplus carried forward		510,609		468,965