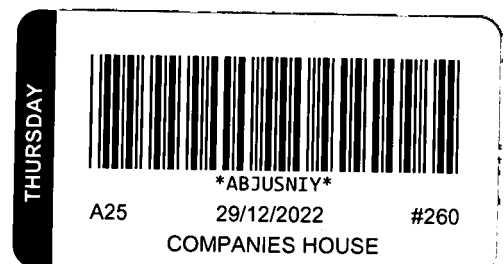


**Solent Academies Trust**  
**(A Company Limited by Guarantee)**  
**Annual Report and Financial Statements**  
**Year ended 31 August 2022**

Company Registration Number:  
08374351 (England and Wales)



# Solent Academies Trust

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# Solent Academies Trust

## Reference and Administrative Details

### Members

Barry Hicks  
David Jordan  
Mark Mitchell  
Peter Starie

### Trustees

Mark Mitchell (Chair of the Board, resigned 31 August 2022)  
Andrew Hill (Chair of the Board from 1 September 2022)  
Susan Banger  
Sharon Burt (Chief Executive Officer)  
Gordon Duff (appointed 13 December 2021)  
Julia Hughes (resigned 8 July 2022)  
David Hunt  
Raymond Mead  
Gareth Morgan  
Philip Slaughter  
Sonia White (resigned 6 September 2021)

### Company Secretary

Karen Frost (resigned 22 March 2022)  
Samantha Galloway (appointed 23 March 2022)

### Senior Management Team

Sharon Burt	Chief Executive Officer
Ashley Oliver-Catt	Director of SEND and Safeguarding
Louise Isa-Grada	Principal
Faye Watton-Lawrence	Principal
Luci Johnson	Principal
Nicola Payne	Principal
Samantha Galloway	Chief Finance and Operations Officer

### Company Name

Solent Academies Trust

### Principal and Registered Office

Mary Rose School  
Gisors Road  
Southsea  
Portsmouth  
Hampshire  
PO4 8GT

# Solent Academies Trust

## Reference and Administrative Details

### **Company Registration Number**

08374351 (England and Wales)

### **Independent Auditor**

Hopper Williams & Bell Limited

Statutory Auditor

Highland House

Mayflower Close

Chandlers Ford

Eastleigh

Hampshire

SO53 4AR

### **Bankers**

Lloyds Bank PLC

38 London Road

North End

Portsmouth

Hampshire

PO2 OLR

### **Solicitors**

Brown Jacobson LLP

Mowbray House

Castle Meadow Road

Nottingham

NG2 1BJ

# Solent Academies Trust

## Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates four special academies in the south of England. The academies had a combined pupil capacity of 560 and had a roll of 619 in the school census in Summer 2022.

### **Structure, Governance and Management**

#### **Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Solent Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Solent Academies Trust.

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.

#### **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.

#### **Trustees' Indemnities**

In accordance with normal practice, the Trust has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business.

#### **Method of Recruitment and Appointment or Election of Trustees**

Recruitment and appointment of Trustees is as set out in the Solent Academies Trust Articles of Association. The Members of Solent Academies Trust can appoint up to ten Trustees who are appointed for a four-year period. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed.

When recruiting new Trustees, the Board gives consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development. This year the Trust used the service of Academy Ambassadors to recruit new Trustees with relevant skills and experience.

# Solent Academies Trust

## Trustees' Report

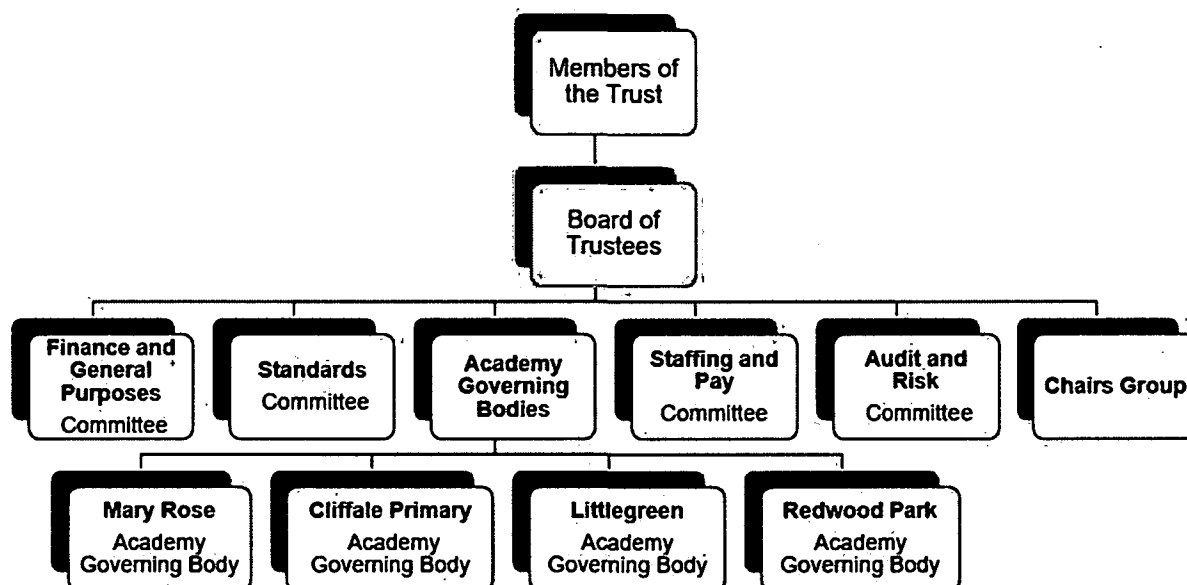
### Policies and Procedures Adopted for the Induction and Training of Trustees

All new governors and trustees meet with key senior leaders and attend induction training provided by Hampshire Governor Services. Visits to schools within the Trust are encouraged. They are given access to the Key for School Governors and the Trust's Governor Hub system which includes a wide range of material including information about the Trust, papers from previous meetings, policies, procedures and budgetary information.

Further training and development requirements are identified in relation to needs that are self-identified or via the annual skill mix audit. Governors and Trustees are encouraged to attend training and sent training opportunities from a range of providers. They also have access to NGA Learning Link which gives access to a wide range of e-learning modules and to the Key for School Governors.

### Organisational Structure

The Trust governance structure as at 31 August 2022 is:



#### *Members of the Trust*

The Members are the guardians of the Trust. They are responsible for agreeing the Trust's Articles of Association and approving any changes to it. Members appoint and dismiss the trustees and appoint the Trust's external auditors. It is their responsibility to hold the Board to account for its conduct and performance.

#### *Board of Trustees*

The Board of Trustees have overall accountability and legal responsibility for the Trust. Decisions reserved for the Board including providing strategic direction to the Trust, ensuring financial viability, approving any expansion of the Trust, appointment of key leadership roles and oversight of risk management and compliance.

# Solent Academies Trust

## Trustees' Report

### **Organisational Structure (continued)**

The Trust has a clear and robust Scheme of Delegation that sets out the delegated authority and responsibility for a range of duties to ensure effective leadership and governance of the Trust. The Board of Trustees delegates duties to CEO/Accounting Officer, the Executive Team, the Board Committee and the Academy Governing Bodies.

The Board has established four committees to support it in its work: Finance and General Purposes Committee, Audit and Risk Committee, Standards and Staffing and Pay Committee. The Committee Terms of Reference set out the duties of each committee and is available on the website. All committees report back to Trustees at the next Board meeting.

### *Academy Governing Bodies (AGBs)*

Each academy in the Trust has an Academy Governing Body which is accountable to the Board of Trustees. Our Academy Governing Bodies comprise of co-opted governors, parent governors, staff governors and the Principal. They are responsible for local oversight, challenge and support for the individual academies in the Trust.

Responsibilities from the Trust Board are delegated via the Scheme of Delegation which is reviewed on an annual basis. Academy Governing Bodies support with the development and implementation of academy strategic plans, monitor progress, monitor performance and the implementation and impact of policies, challenge and support the school's Principal and senior leadership team and ensure that stakeholder voices are heard. We encourage our governors to become involved in the wider life of the academies.

The Chairs of each of the Academy Governing Bodies meet termly with each other and representatives of the Trust Board to support a good flow of communication between the different layers of governance.

### *Trust Executive Team and Central Team*

The Trustees have devolved responsibility for day to day management of the Trust to the CEO/Executive Headteacher and the Senior Leadership Team (SLT). They implement the policies laid down by the Board and report back to their individual Academy Governing Bodies and the Board on performance. The CEO/Executive Headteacher also acts as the Accounting Officer.

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

The Trust has established a Pay Policy that follows national terms and conditions for all teachers and senior academy leaders. The policy is approved by the Trust Board. The Staffing and Pay Committee approves all pay awards for teachers and senior academy leaders and undertakes the performance management of the CEO. The Finance and General Purposes Committee and the Staffing and Pay Committee ensure that appropriate funding is allocated for pay progression at all levels. The Board operates the policy in accordance with equality legislation. No Trust Board member with the exception of the CEO who is a Trustee is paid for their services as a Trust Board member.

# Solent Academies Trust

## Trustees' Report

### **Trade union facility time**

The Academy Trust did not have any employees who were relevant union officials during the period, and no time was spent on facility time or paid trade union activities.

### **Related Parties and other Connected Charities and Organisations**

There are no related party relationships and no formally connected organisations.

### **Engagement with employees (including disabled persons)**

The Trust consults with its staff through formal and informal methods including staff consultation and regular staff meetings. Solent Academies Trust recruitment policy ensures that no staff or prospective staff members are discriminated against or unfairly treated because of a protected characteristic.

Practical measures are put in place to make sure that reasonable adjustments are made at each stage of the recruitment process to allow disabled candidates to access and pursue a job vacancy. Anonymous equality and diversity information is collected during the application process to ensure Solent Academies Trust's ability to monitor and improve its processes.

One of the Solent Academies Trust values is 'equity'; all members of our community widely promote treating each other fairly, with trust, care and respect. We seek the best for every pupil and know that those who have the least need our combined expertise the most.

### **Engagement with suppliers, customers and others in a business relationship with the trust**

The Trust seeks to engage actively and positively with all stakeholders in the local community and in the wider educational landscape. Collaborative relationships with suppliers, parents, educational partners and the community are seen as important to achieve success. During the year, the Trust has further promoted this engagement through initiatives including:

- Regular communication and engagement with parents and prospective parents of pupils attending the Trust academies to enhance understanding of the provision to each pupil and to fully coordinate support to students from parents and the academy.
- Engagement with other Trusts and partners at local levels to share best practice and to provide peer support across the Trusts and individual academies.
- Engaging with local businesses to promote career and educational opportunities for pupils.
- Seeking regular communication with all suppliers and ensuring good commercial practices of prompt payment and clear communication to optimise arrangements for supply of goods and services to each school.
- Ensuring no supplier, stakeholder or others in a business relationship with the Trust are discriminated against or unfairly treated.



# Solent Academies Trust

## Trustees' Report

### **Objectives and Activities**

#### **Objects and Aims**

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom in particular by establishing, maintaining, carrying on, managing and developing schools, offering a broad range of curriculum for pupils of differing abilities within a special school and alternative provision educational setting.

#### *Our Mission*

Our mission is to improve equality of opportunity & social inclusion and close disadvantage gaps.

We believe in the power of education to positively transform the lives of our children and their families.

Our Trust wide commitment to pupils and their families across our community is summarised in our Solent Academies Trust pledge:

"Together we inspire lifelong learning, perseverance, kindness and growth. We transform the lives of our children and families by harnessing the opportunities they deserve to thrive, as healthy and engaged individuals".

#### *Our Philosophy*

Solent Academies Trust drives an aspirational vision to inspire lifelong learning, perseverance, kindness and growth for all our community through our unwavering belief that 'it's got to be possible'. Together we make every day count towards transforming the lives of our children and families by harnessing the opportunities they deserve to thrive as healthy and engaged individuals.

We are committed to improving equality of opportunity, social inclusion and closing disadvantage gaps more broadly, by developing innovative partnerships locally and nationally. The benefits of working together as a family of schools across our Trust are far-reaching. We have a genuine sharing of expertise, experience and ideas which promote continuous learning, excellent career opportunities and high-quality professional development.

We believe that each school community is unique and special in its own way, and therefore we empower leaders to successfully implement a strategic plan that reflects the needs of the whole community, with a wealth of resource and expertise around them, balancing our 'Trust Commitments' for alignment with the autonomy to innovate. We shape our future together and are invested in broadening horizons for all members of our community and forming exciting partnerships that promote early intervention and inclusion across and beyond our Trust.

As a multi academy trust, we are a single legal entity working collectively for the benefit of all our community and those we can support to reduce disadvantage for vulnerable learners. We are currently comprised of four special schools, three of which are in Portsmouth and one in Compton, West Sussex. Founded by Mary Rose Academy which now celebrates its fourth outstanding OFSTED rating, our Trust has over 11 years' experience in transforming lives of our children and families through high quality specialist education for pupils aged 2 - 19.

# Solent Academies Trust

## Trustees' Report

### Objects and Aims (continued)

We pride ourselves on harnessing the benefits of being a multi academy trust, working closely together to accelerate school improvement and share innovative practice in order to improve outcomes for all pupils and develop a strong learning community.

### OFSTED Inspection Outcomes

Academy	Quality of Education	Behaviour & Attitudes	Personal Development	Leadership & Management
Cliffdale Primary (2022)	Outstanding	Outstanding	Outstanding	Outstanding
Mary Rose (2021)	Outstanding	Outstanding	Outstanding	Outstanding
Redwood Park (2019)	Outstanding	Outstanding	Outstanding	Outstanding
Littlegreen	Before academisation and joining SAT, Littlegreen School was judged as inadequate in all areas. Academy sponsorship with SAT took place in January 2019.			

Solent Academies Trust Strategic Plan 2022 -2025 'Creating Opportunities For All Our Community'					
<p><b>Vision/ Pledge:</b> Together we inspire lifelong learning, perseverance, kindness and growth. We transform the lives of our children and families by harnessing the opportunities they deserve, as healthy and engaged individuals.</p> <p><b>Values:</b> EMPOWERMENT ♦ RESPECT ♦ ASPIRATION</p> <p><b>Mission:</b> To improve equality of opportunity, social inclusion and close disadvantage gaps</p>					
Strategic Objectives	Aim 1 Provide High Quality Education & Transform Lives	Aim 2 Enhance Efficiency & Effectiveness	Aim 3 Increase Wellbeing & Workforce Resilience	Aim 4 Enhance Public Benefit & Civic Duty	Aim 5 Provide Expert Governance
	1.1 Further improve outcomes for all pupils through high quality special education	2.1 Build a strong, financially sustainable infrastructure & reinvest funding to support the quality of education	3.1 Increase staff attendance following the Covid Pandemic	4.1 Increase pupil numbers & ensure high needs funding keeps vulnerable children in appropriate settings locally	5.1 Provide robust oversight of the Trust strategic direction & hold executive leaders to account for the outcomes of pupils
	1.2 Increase pupil attendance following the Covid Pandemic	2.2 Implement a digital technologies strategy that supports high quality curriculum delivery now and, in the future	3.2 Recruit & retain high performing staff throughout their careers	4.2 Positively impact on pupil outcomes beyond our Trust through systems leadership, high quality outreach & school to school support	5.2 Develop a strong process for community & stakeholder contribution & involvement through local governance activity
	1.3 Ensure pupils make a successful transition to their next stage in education, training or employment	2.3 Continuously develop future proofed inspiring learning environments that are safe, compliant & reduce carbon footprint	3.3 Promote healthy wellbeing & ensure manageable work life balance	4.3 Ensure highly efficient use of resources across sectors to benefit pupils & increase opportunities for all	5.3 Enhance recruitment, training & development for high quality governance
	1.4 Embed educational excellence through high quality leadership	2.4 Enhance coherence, consistency & streamlined systems – reducing workload & increasing productivity	3.4 Accelerate school improvement through high quality CPD & career opportunity pathways	4.4 Increase the number of schools in our Trust family to improve outcomes for young people across clusters of schools	5.4 Embed a strong culture of risk management, self-evaluation & quality assurance
	Underpinned by our SAT School Improvement Strategy & the 7 Principles of Public Life				

# Solent Academies Trust

## Trustees' Report

### Public Benefit

In setting the objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The main activities of the Trust are to advance for public benefit:

- To advance education by establishing, maintaining, carrying on, managing and developing academies for pupils of different abilities offering a curriculum appropriate to the needs of the pupils.
- To provide recreational and leisure time facilities in the interest of social welfare for the local communities in which the academies reside, especially those who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances with the object of improving the condition of life of said inhabitants.

### Strategic Report

#### Objectives, Strategies, Activities, Achievement and Impact

Aim 1	To Raise Standards & Transform Lives
Objectives	<ol style="list-style-type: none"><li>1. To embed a rich, future focused personalised curriculum, harnessing cultural capital for all pupils.</li><li>2. To inspire lifelong learning, resilience, personal development, safety &amp; wellbeing.</li><li>3. Empower leadership at all levels &amp; use enquiry-based learning as the fly wheel to accelerate improvement &amp; inform best &amp; 'next' practice.</li><li>4. Extend learning pathways for Key stage 4/ 5. Improve Preparation for Adulthood (PfA) opportunities.</li></ol>
Strategies	<ul style="list-style-type: none"><li>• Academy Improvement Plans have been informed by robust internal and external quality assurance which takes place twice a year.</li><li>• Curriculum plans are sequenced well and matched to pupil needs across our academies. Staff continue to refine curriculum intent and implementation to ensure that outcomes equip pupils with the knowledge &amp; skills for their next stage in life.</li><li>• Leaders rigorously quality assure in line with the SAT School Improvement Strategy.</li><li>• Education teams across our academies ensure that high quality Rainbow Plans and long-term plans are consistently in place across all schools, with the carefully sequenced topic curriculum providing pupils with a broad range of interesting and motivating experiences from which they successfully learn about the world around them.</li><li>• Leaders often refer to academic research to ensure that they are providing the best quality of education. Some staff have also contributed to research, such as in pre-reading. Because of this focus on excellent practice, pupils quickly learn to develop their skills.</li><li>• Cliffdale Primary Academy Challenge Partners Report identifies quality of provision and outcomes as 'leading' and leadership at all levels as 'effective', further improvement will be addressed, in part, through the enhanced leadership structure presented in the Staffing &amp; Pay Committee 13th June 2022.</li></ul>

# Solent Academies Trust

## Trustees' Report

### Objectives, Strategies, Activities, Achievement and Impact (continued)

Evidence of Impact	<p><b>OFSTED Reports:</b></p> <p>Cliffdale Primary 8th &amp; 9th February. Internal data demonstrates that in all areas of the EHCP at least 96% pupils are on track to achieve, or have achieved their annual review targets.</p> <p>Mary Rose Ofsted Report 23rd – 24th November 2021</p> <p>'The quality of education is exceptionally high. Dedicated staff provide an ambitious and well-designed curriculum. In lessons, staff provide learning opportunities that are bespoke to each pupil's needs. Teachers assess in great detail what a pupil needs to learn next. This means that, across the curriculum, pupils develop their learning in a methodical, step-by-step way'.</p> <p>External quality assurance reports corroborate the significant progress made in standards across all academies. Our Academy Governing Bodies and Standards Board scrutinise these reports at the meeting on 4<sup>th</sup> July and agreed with the strong evidence of impact.</p> <p>All pupils transitioning at the end of this academic year have confirmed placements in colleges or with adult social care. The CEO is working with the Post 16 Commissioner in Portsmouth to try to gain more intelligence about the outcomes our pupils achieve at the end of College to ensure that pathways at the end of key stage 4 and 5 are effective in supporting pupils to be well prepared for their next stage in life. The CEO is active in contributing to and driving the local SEND employability hub to widen the offer at post 16 and 19. In April 2022, key stage 4 &amp; 5 pupils from Redwood Park and Mary Rose started setting up our new gift shop called The Collective on Arundel Street in Portsmouth, see grand opening here:  <a href="https://www.portsmouth.co.uk/business/consumer/the-lord-mayor-of-portsmouth-opens-the-collective-in-arundel-street-which-will-be-run-by-send-students-3735773">https://www.portsmouth.co.uk/business/consumer/the-lord-mayor-of-portsmouth-opens-the-collective-in-arundel-street-which-will-be-run-by-send-students-3735773</a>.          Littlegreen Academy have a clear commitment to achieving the Gatsby Benchmarks and have made good progress in developing the Careers Curriculum and extending the qualification options for pupils at Key Stage 4.</p>			
Key Performance Indicators	90% of pupils will achieve their annual review targets 21/22.	90 - 95% pupil attendance  On track to achieve in 2023, attendance levels are increasing post pandemic.	90 - 95% of pupils will secure appropriate destinations at the end of each key stage.	100% of Portsmouth Academies retain outstanding OFSTED judgement. LGA on track to achieve Good judgement.

# Solent Academies Trust

## Trustees' Report

### Objectives, Strategies, Activities, Achievement and Impact (continued)

Aim 2	To Enhance Capacity & Productivity
<b>Objectives</b>	<ol style="list-style-type: none"> <li>1. Secure in-year balanced budgets &amp; grow reserves to support modest growth.</li> <li>2. Implement a high quality inclusive strategy for People, Culture &amp; Development across SAT.</li> <li>3. Future proof learning environments &amp; provision tailored to the complex needs of pupils now &amp; in the future.</li> <li>4. Implement a well matched &amp; highly effective strategy for communications &amp; technologies.</li> </ol>
<b>Strategies</b>	<ul style="list-style-type: none"> <li>• Reserves &amp; Investment Strategy – investment of surplus funds to maximise return, centralise reserves creating a more structured approach</li> <li>• Robust Management Reporting – monthly management accounts within the deadline – enhance KPI's</li> <li>• Budget forecasting monthly – monitor pupil numbers and funding arrangements</li> <li>• Implementation of SAT wide IT strategy, focus on compliance and development of the infrastructure</li> <li>• Enhanced structure and CPD</li> <li>• Reduce risk through standardised purchases and removing equipment beyond its operational life</li> <li>• Cyber Security – Systems and Training</li> <li>• GDPR</li> <li>• Working with SLT and school staff to define requirements</li> <li>• Review Systems and processes with a cloud first approach</li> <li>• Budget Planning to balance financial pressures with need</li> <li>• Embed use of technology through ongoing CPD</li> <li>• H&amp;S Audit – Every 24 months to ratify progress</li> <li>• H&amp;S Action Plan – progress against timeline</li> <li>• Implementation of premises strategy for all academies within the Trust</li> <li>• Carbon footprint strategy</li> <li>• Develop and embed Arbor MIS</li> <li>• Review HR software needs</li> </ul>

# Solent Academies Trust

## Trustees' Report

### Objectives, Strategies, Activities, Achievement and Impact (continued)

<b>Evidence of Impact</b>	<p>Overall, the Trust's reserves position continues to improve in line with the KPI. The three-year plan shows increasing reserves and the KPI being met by the Trust. Significant work has been undertaken to minimise the financial position of Littlegreen however this budget still remains with an in-year deficit increasing their cumulative deficit reserves position.</p> <p>During the Academic year 2021/22 over 560 devices including Desktops, Servers, Laptops, iPads, Monitors, Interactive White Boards and Phone Handsets were purchased to replace outdated technology and enhance the Trust's IT provision. 74% of all IT equipment is now within the operational lifecycle which is marginally below the KPI of 75%; however this will be achieved as a result of the continued delivery of the IT strategy plan for 2022/2023. All trust mobile devices now have encryption and device management which significantly reduces the risk of a data breach should a device be lost or stolen. IT Security continues to evolve with the implementation of Multi Factor Authentication for remote access to the Office 365 platform, deployment of antivirus and software update as well as regular user cyber security training.</p> <p>An external review was conducted of the IT infrastructure in May 2022 by an education IT specialist 'Medhurst'. The report found the Trust's server infrastructure to be in a good, reliable state.</p>			
<b>Key Performance Indicators</b>	Increase SAT reserves to 5 – 8 % GAG and SEND income	75% of equipment are within its operational lifecycle and meets trust compliance	At least 75% of our learning environments will be safe, fit for purpose and inspiring	All academy KPI data will feed into Trust wide dashboard by 2023

# Solent Academies Trust

## Trustees' Report

### Objectives, Strategies, Activities, Achievement and Impact (continued)

Aim 3	To maximise effective Oversight & Communication			
Objectives	<ol style="list-style-type: none"><li>1. Increase staff attendance.</li><li>2. Recruit &amp; retain high performing staff throughout their careers.</li><li>3. Promote healthy wellbeing &amp; ensure manageable work life balance.</li><li>4. Accelerate school improvement through high quality CPD &amp; career opportunity pathways.</li></ol>			
Strategies	<ul style="list-style-type: none"><li>• Update Absence Policy to include more rigorous absence trigger</li><li>• Reminders about impact of absence</li><li>• Implement Recruitment capabilities on Access to streamline process. Option for former applicants to be notified of new vacancies etc.</li><li>• Continue to develop links with PCC, The Learning Place, City of Portsmouth College, UoP and others</li><li>• Advertise free learning opportunities to staff within the Trust</li><li>• Create additional career pathways for staff</li><li>• Introduce apprenticeships across the Trust (subject to cost v VFM)</li><li>• Make policies and key documents accessible for all applicants</li><li>• Introduce and monitor effective exit questionnaires/interviews</li><li>• Find new staff benefits provider</li><li>• Work with Academy Wellbeing leads to ensure collaboration and equality of wellbeing provision across the Trust.</li><li>• Harness further the use the apprenticeship levy (approx. £70k in the pot)</li><li>• Explore interest levels in NPQ for Teachers and access to Government funding</li><li>• People Strategy to include broad offer of CPD for staff in different roles</li><li>• Ensure Site Team, Admin Team and Central Team have equal access to CPD</li></ul>			
Evidence of Impact	<ul style="list-style-type: none"><li>• Achievement of the Wellbeing Award for Schools</li><li>• Positive engagement with NPQ qualifications</li><li>• New career pathways for SAT continuously developing</li><li>• Rigorous review of key policies and revised policies being embedded</li><li>• Up to date records of mandatory training undertaken, including safeguarding with KCSIE &amp; key policies signed by all stakeholders</li></ul>			
Key Performance Indicators	Reduce short-term absence by 5%	Year 2 target - For all staff turnover to remain below 12%.  For education support staff, turnover to remain below 15%.	To achieve the Wellbeing Award for Schools	Establish Trust wide CPD programme of mandatory training & opportunity pathways

# Solent Academies Trust

## Trustees' Report

### Objectives, Strategies, Activities, Achievement and Impact (continued)

Aim 4	To impact beyond Trust with Leading Edge System Improvement					
<b>Objectives</b>	<ol style="list-style-type: none"> <li>1. Increase pupil numbers &amp; ensure high needs funding keeps vulnerable children in appropriate settings locally.</li> <li>2. Positively impact on pupil outcomes beyond our Trust through systems leadership, high quality outreach &amp; school to school support.</li> <li>3. Ensure highly efficient use of resources across sectors to benefit pupils &amp; increase opportunities for all.</li> <li>4. Increase the number of schools in our Trust.</li> </ol>					
<b>Strategies</b>	<ul style="list-style-type: none"> <li>• Collaborative work with local authorities to examine sufficiency planning needs and future placement and provision needs.</li> <li>• Increased school to school support and systems leadership supporting growth planning.</li> <li>• Developing deep partnerships beyond our Trust to add value for pupils as the beneficiaries, project work in progress to assess the value added of merging/ joining our Trust.</li> <li>• Research into Trust operating models/ structures.</li> <li>• Links with other specialist setting to develop provision/ curriculum at KS 4 and post 16.</li> </ul>					
<b>Evidence of Impact</b>	<b>Data at the end of July 2022</b>					
	<b>School</b>	<b>APN Now</b>	<b>NOR Sept 2020</b>	<b>NOR Sept 2021</b>	<b>NOR Now</b>	<b>APN Sept 2022</b>
	<b>Trust</b>	555	558	598	598	609
	<b>CPA</b>	164	172	187	188	194
	<b>LGA</b>	80	79	81	80	81
	<b>MRA</b>	170	165	177	175	179
	<b>RPA</b>	141	142	153	155	155
	<ul style="list-style-type: none"> <li>• Two projects successfully completed under the Trust School Improvement Offer, one in a local Primary School and One in a Special School.</li> <li>• Special school partnership projects are in progress to assess value added/ risks of joining together.</li> <li>• Outreach 2021/22: 24 schools supported as well as additional support to local inclusion centres. Inreach support has also been provided on a need led basis to local schools, including professionals visiting to observe / discuss ideas / plan / support with ideas for activities. We've also Training has also been provided in Autism, Stories for Social Communication and Clicker 8.</li> <li>• We have been successful in opening the new shop 'The Collective' for Key Stage 4 and 5 pupils to practice their communication, social and employability skills in a real-world setting.</li> <li>• In the Autumn term 2022, we begin a collaboration with the College to establish social enterprise through a café located in the Southsea library.</li> <li>• Our next step is to collaborate with TESCO to establish Classroom in the Heart of Industry.</li> <li>• IT support is being made available to schools beyond our Trust.</li> </ul>					



# Solent Academies Trust

## Trustees' Report

### Objectives, Strategies, Activities, Achievement and Impact (continued)

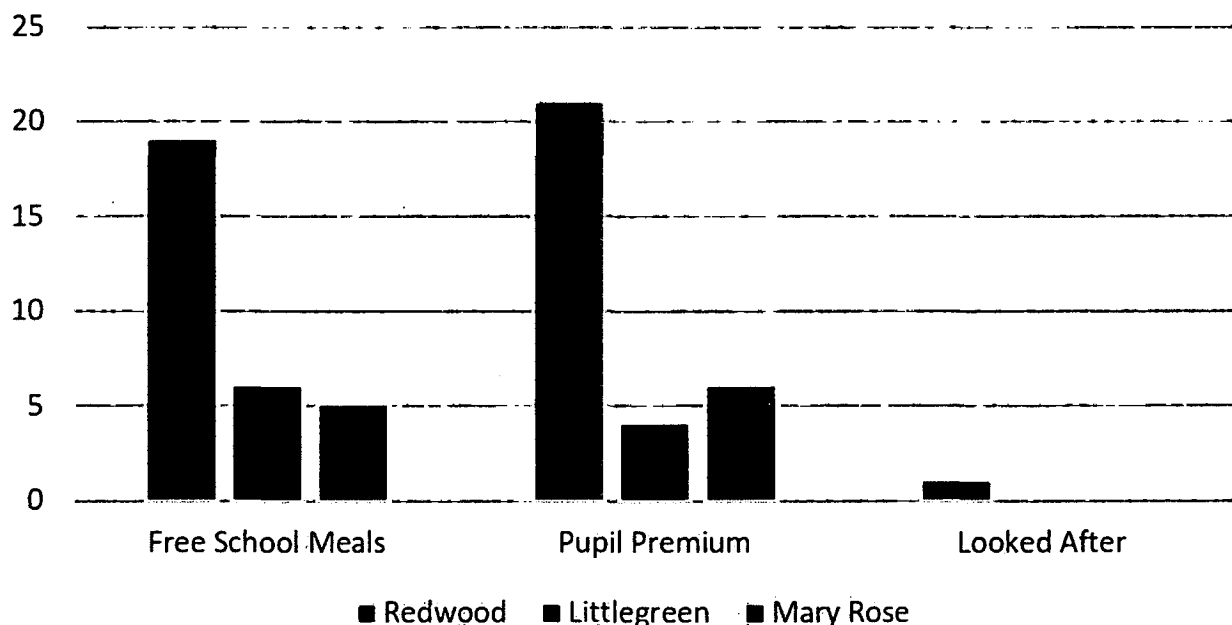
<b>Key Performance Indicators</b>	Increased APNs	Introduction of Trust School Improvement Offer	Engagement of key stakeholders being our Trust to widen KS 4/5 offer.	100% of Portsmouth Academies retain outstanding OFSTED judgement. LGA on track to achieve Good judgement.
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### Key Performance Indicators

Accreditation Summary 2021/2022

*Academy Cohort Demographic Summary*

### SAT Academy Demographics



### Redwood Park Academy

#### *English & Maths*

All 27 pupils were entered for qualifications in English and Maths depending on their personal ability. 7 students were entered for a Personal Progress qualification which works towards Entry 1 in English and Maths – more able pupils were also entered for the higher Pearson's Entry 1.

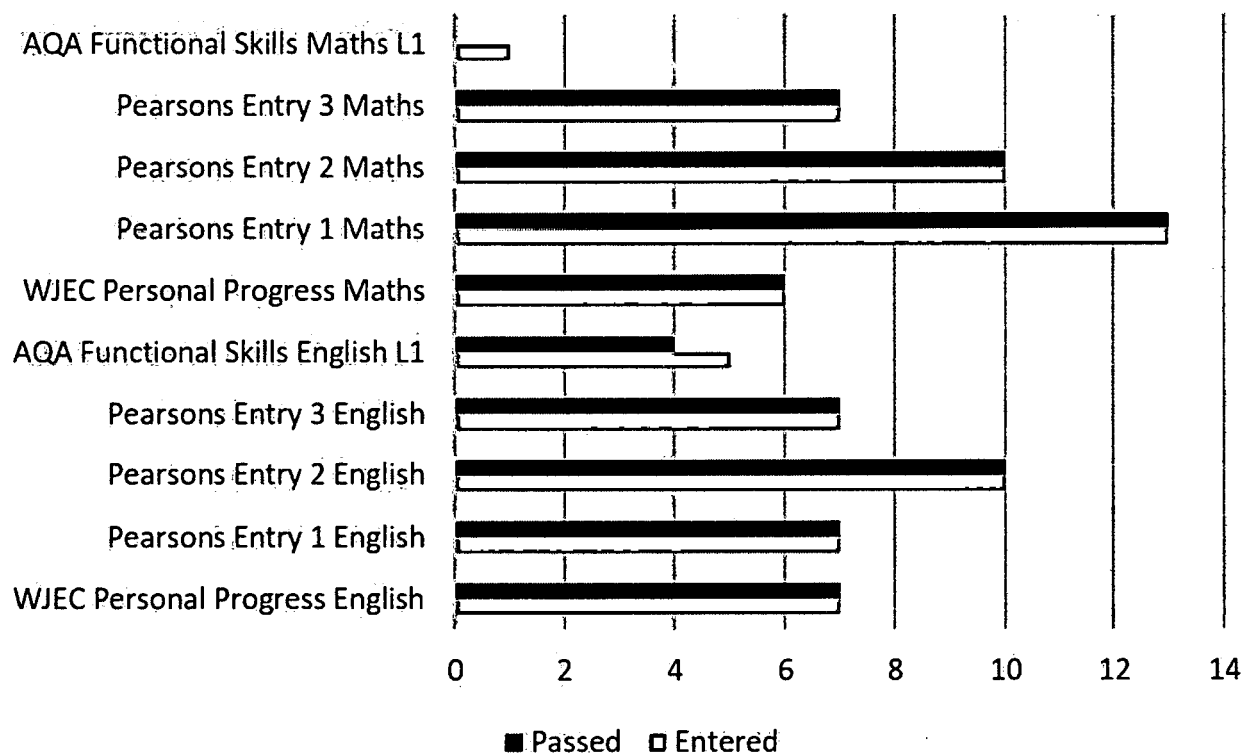
Similarly, these pupils were entered for the higher Functional Skills examinations and some pupils were entered for Entry 3, where appropriate. This personalised approach enabled all pupils to achieve their highest level of qualification for English and Maths.

# Solent Academies Trust

## Trustees' Report

### Key Performance Indicators (continued)

#### English/Maths Entries & Passes



All of the Year 11 Cohort were entered for units with WJEC, in Sport & leisure, Design & Technology, Humanities, Catering and Horticulture, Trinity Arts Award in either Art or Music and BTEC. These qualifications and entries were based upon their KS4 Options choices.

#### *John Muir Award – Discovery Award*

The John Muir Award is inclusive, accessible and non-competitive, though should challenge each participant. It encourages awareness and responsibility for the natural environment through a structured yet adaptable scheme, in a spirit of fun, adventure and exploration.

To achieve a John Muir Award each participant must:

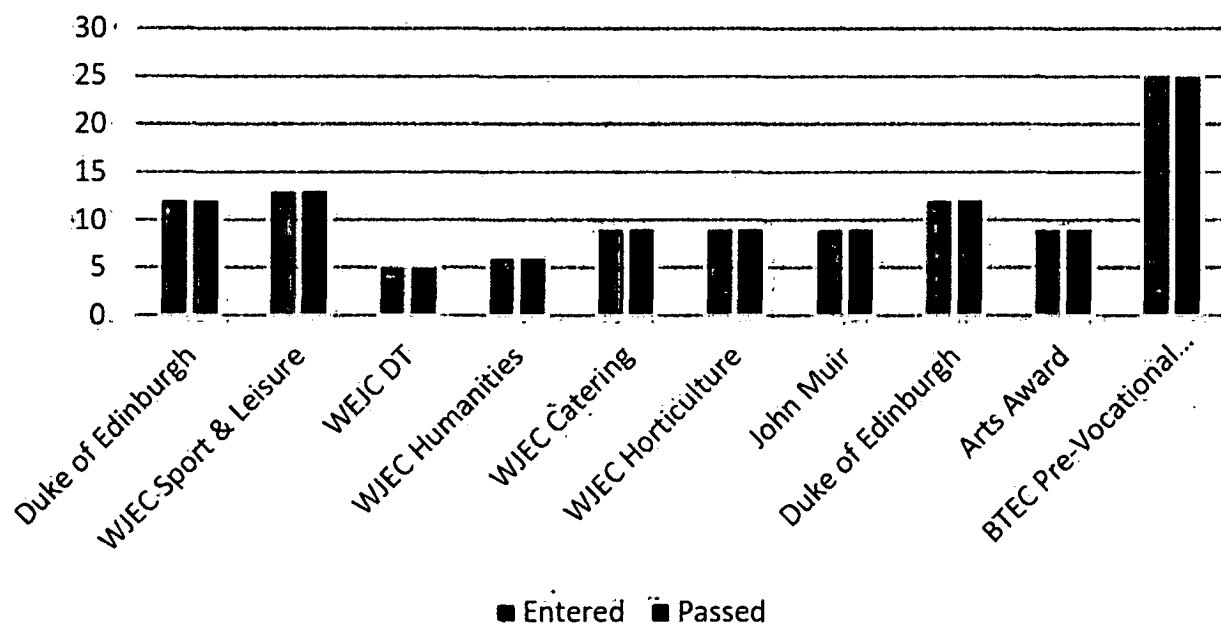
- Meet four Challenges
- Complete the required time commitment
- Show enthusiasm and commitment towards their involvement
- Have an awareness of John Muir
- Understand what the John Muir Award is and why they are participating

# Solent Academies Trust

## Trustees' Report

### Key Performance Indicators (continued)

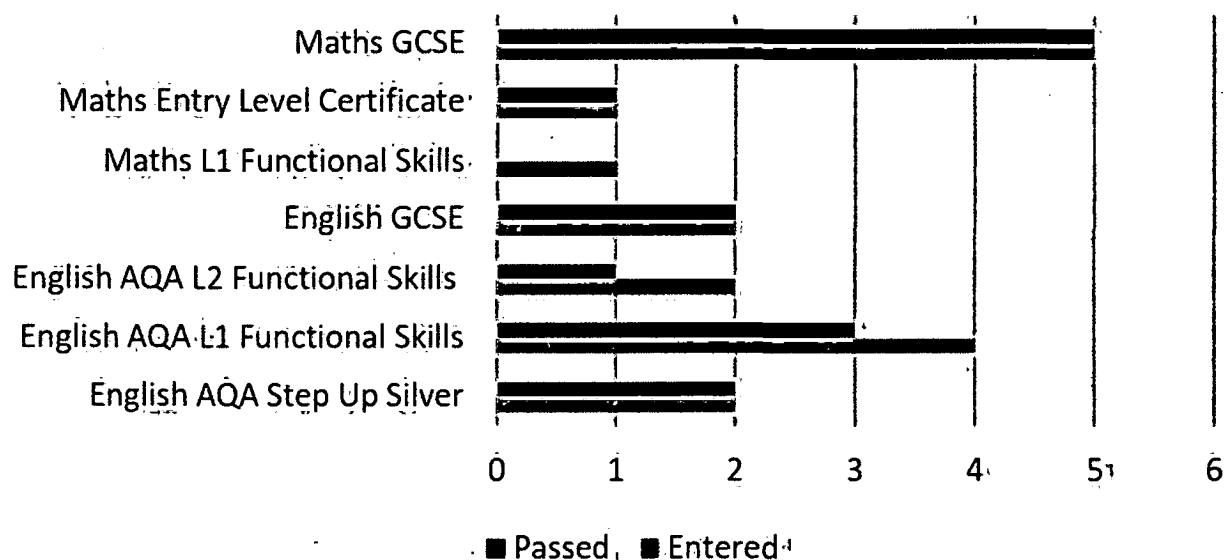
#### KS4 Options Linked Qualifications



### Littlegreen Academy

Our Year 11 cohort were entered for English and Maths qualifications at either GCSE, Step up, Entry or Functional skills levels depending on their individual ability.

#### English/Maths Entries & Passes



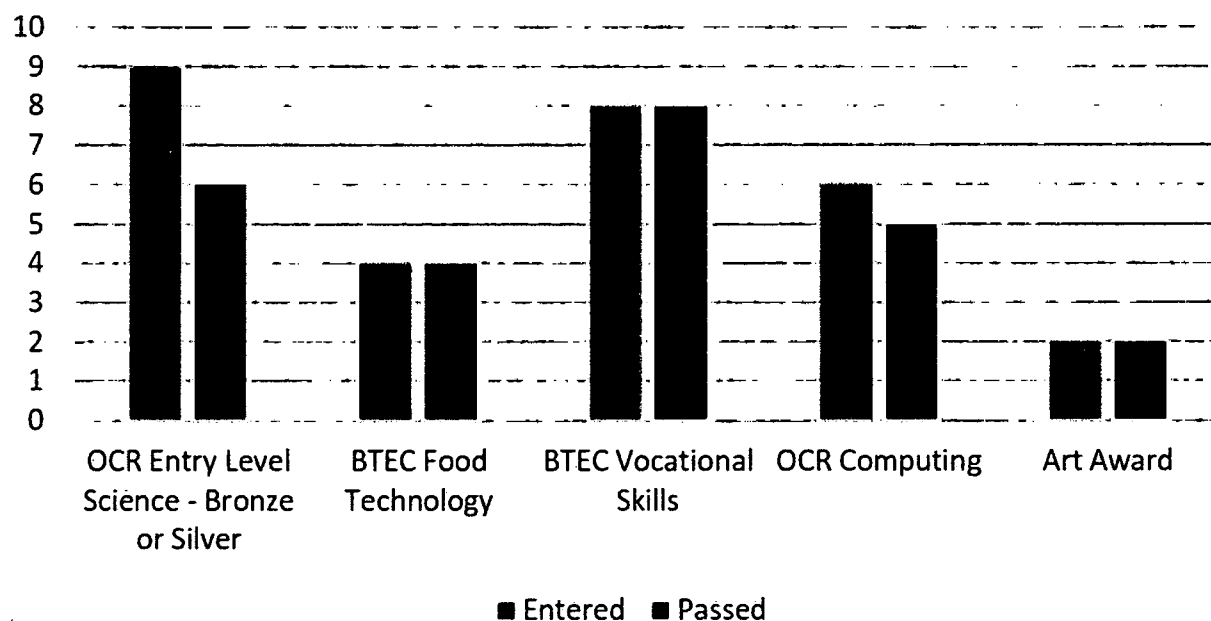
In addition to this, pupils also had the opportunity to gain BTEC qualifications in Food Technology, Vocational Skills and Computing, Entry Level Science and Arts Award.

# Solent Academies Trust

## Trustees' Report

### Key Performance Indicators (continued)

#### Other Qualifications



#### Mary Rose Academy

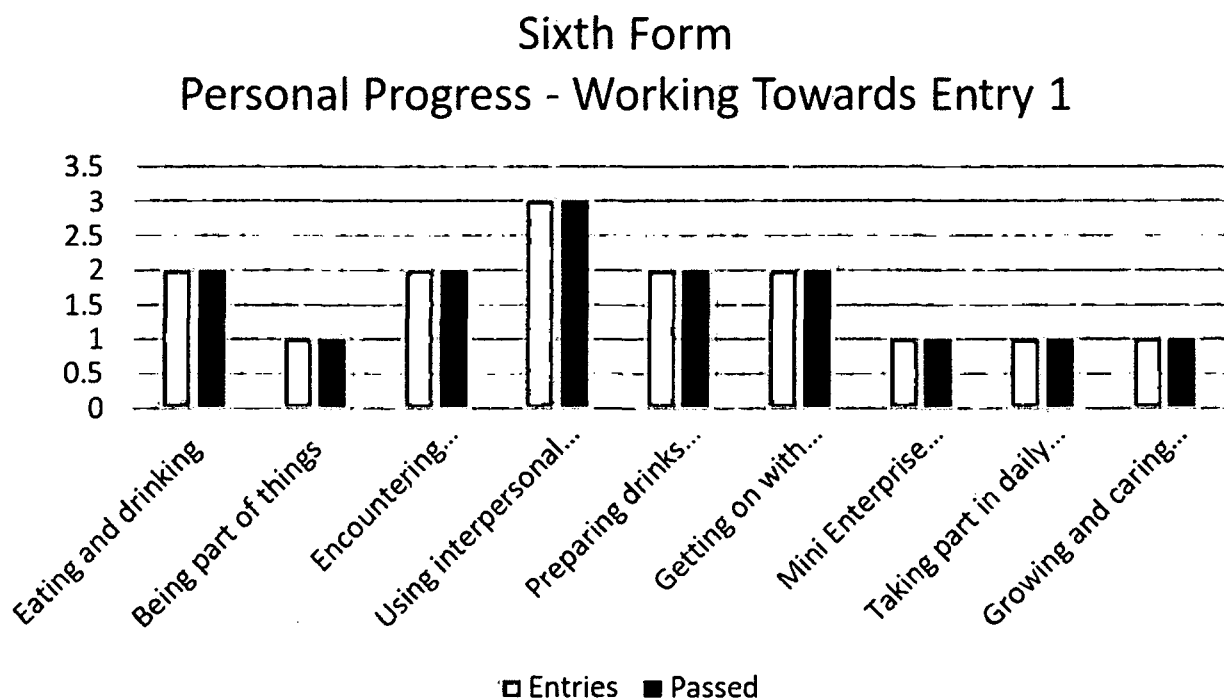
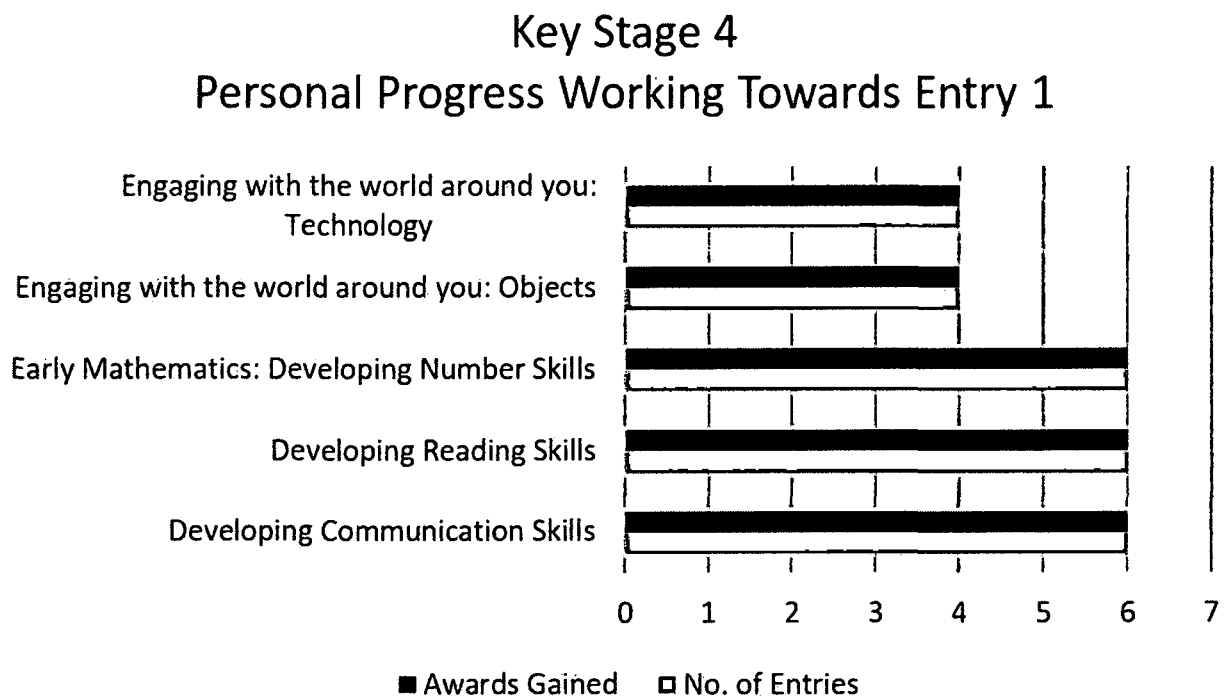
Pupils in KS4 and Sixth Form at Mary Rose were entered for qualifications via ASDAN. Units are chosen to meet the individual needs of the young people and also tie in with numeracy & literacy / pre-numeracy & literacy curriculums.

ASDAN's requested work files for moderation and agreed with our findings. We later received a request the Quality Assurance Officer who had identified our pupil portfolios as being "one we would like to use as an example of good practice and will be used as a teaching tool for external moderators and quality assurers".

# Solent Academies Trust

## Trustees' Report

### Key Performance Indicators (continued)



# Solent Academies Trust

## Trustees' Report

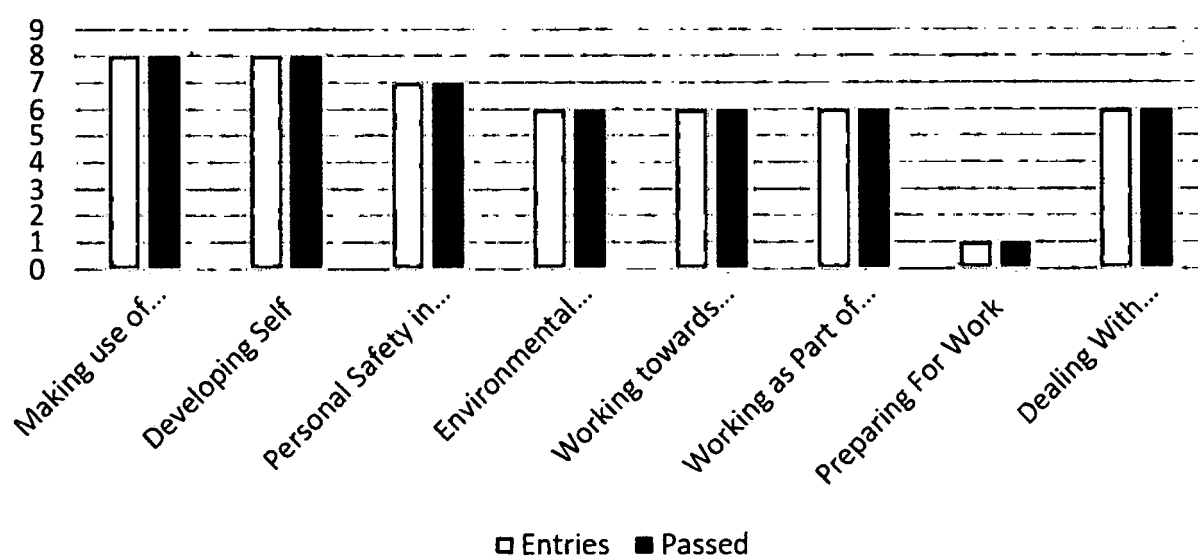
### Key Performance Indicators (continued)

The Personal and Social Development qualifications offer imaginative ways of supporting our young people encompassing:

- becoming confident individuals who are physically, emotionally, and socially healthy
- being responsible citizens who make a positive contribution to society and embrace change
- managing risk together with their own wellbeing

Again, entries are chosen to meet the individual needs of our young people.

### Sixth Form Personal & Social Development Entry 2



Finally, the Employability qualification offers imaginative ways of supporting our young people in:

- gaining the skills in different occupational settings
- to build on a range of employability skills,
- to transfer the employability skills to work based settings in the wider community.

Depending on individual ability our young people were either entered for Entry 2 or Entry in this area.

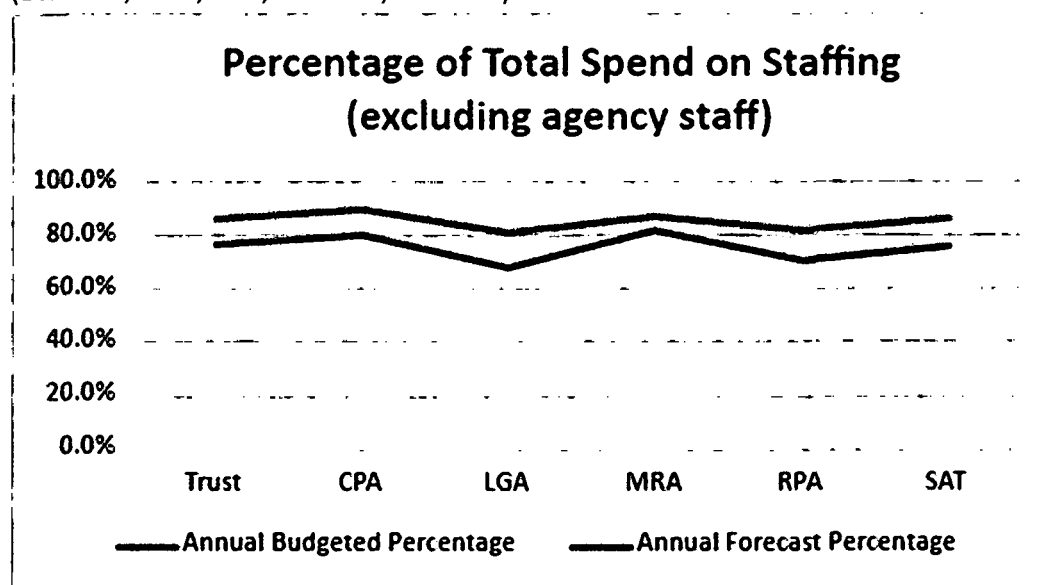
# Solent Academies Trust

## Trustees' Report

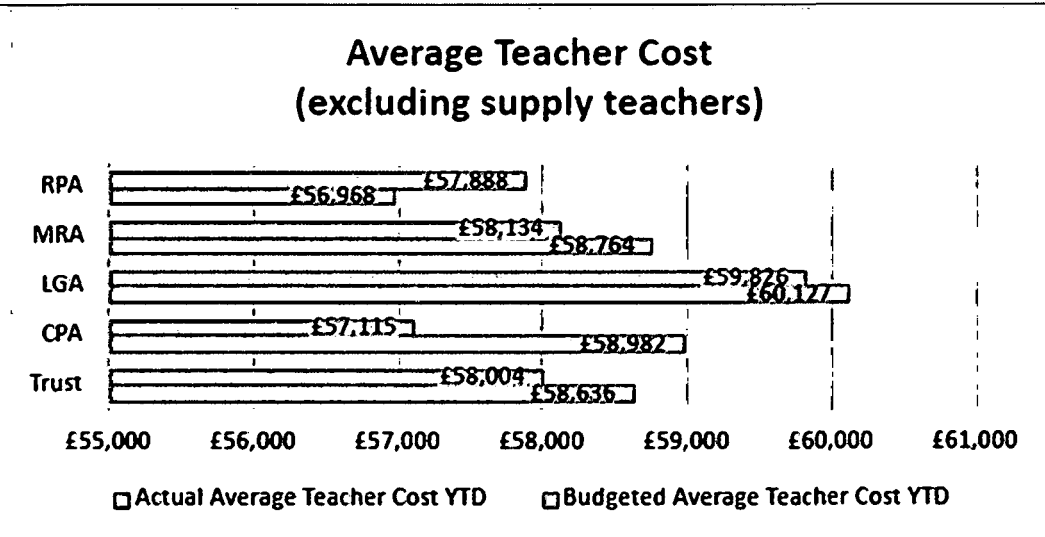
### Key Performance Indicators (continued)

All Academy Staffing budgets fall between 72-82% of overall budget – Financial Year 21/22

(LGA 68%, MRA, 82%, RPA 71%, CPA 77%)



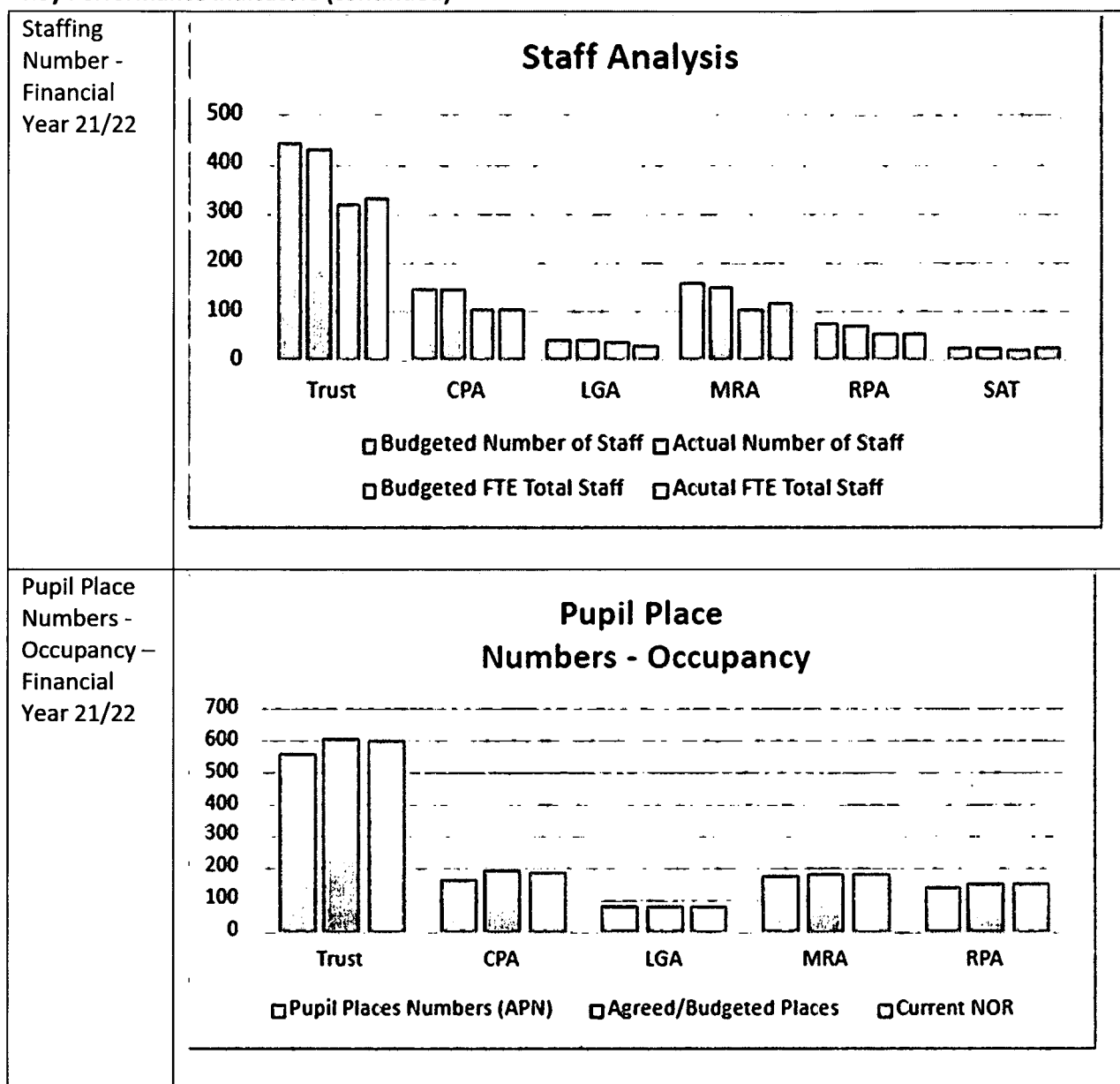
Average Teacher Cost – Financial Year 21/22



# Solent Academies Trust

## Trustees' Report

### Key Performance Indicators (continued)

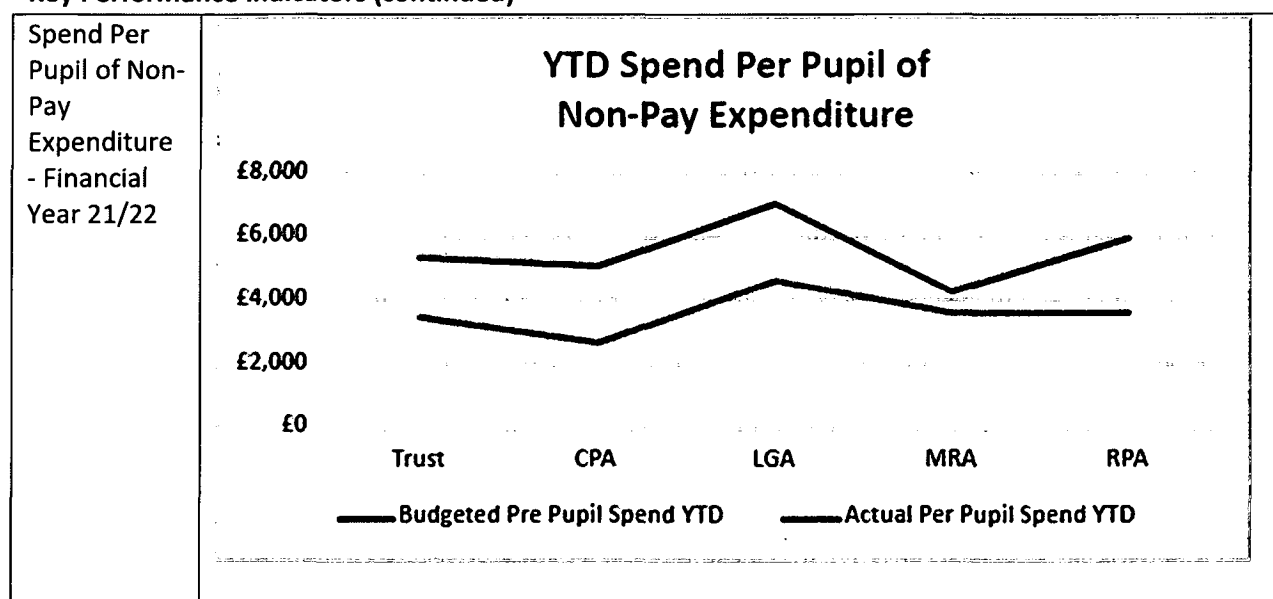




# Solent Academies Trust

## Trustees' Report

### Key Performance Indicators (continued)



### Going Concern

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

Littlegreen Academy is a financial concern for the Trust; future forecasts are indicating continuous in-year deficits, and discussion is ongoing with the Regional Schools Commissioner and West Sussex County Council to address these concerns. Littlegreen Academy is a grade II listed building within the South Downs National Park. All stakeholders have acknowledged the site is not fit for purpose and does not meet our pupils' complex needs. The costs for the ongoing repairs and maintenance, inadequate funding for a cohort of pupils with extremely complex needs and with the additional staffing requirements to ensure pupils are kept safe are the main areas of financial challenge for the Trust. An application for the School's Rebuilding Programme has been successful and we are now working with the Department of Education on future plans for the academy. We are delighted that the pupils and staff will have a new purpose built state of the art, carbon neutral building. The Trust continues to work with Littlegreen Academy on a deficit recovery plan.

# Solent Academies Trust

## Trustees' Report

### **Promoting the success of the company**

Section 172 of the Companies Act 2006 requires the Trustees to act in the way they consider, in good faith, would be most likely to promote the success of the Trust to achieve its charitable purposes.

#### *a) The likely consequence of any decision in the long-term*

The Trustees are committed to improving the outcomes of all our pupils through the relentless pursuit of excellence and securing the best possible outcomes. Our schools deliver the highest quality teaching and the Trust ensures focus on compliance and financial sustainability. The Trust makes all key decisions through reference to its long term strategic plan and regularly monitors progress towards achieving it.

#### *b) The interests of the Trust's employees*

One of the Trust's key priorities is to implement a high quality strategy for people, culture and development. We make regular engagement with our employees a key priority. The Trust measures employee engagement through regular feedback, surveys and communication sessions and addresses any issues raised by our employees as quickly as possible. There is a Trust wide staff wellbeing strategy and next year all of the schools in the Trust will be working towards a Wellbeing Award. The Trust delivers effective and progressive professional development opportunities for all staff who work within our schools creating a culture of success.

#### *c) The need to foster the Trust's business relationships with suppliers, customers and others*

Our relationships with partners and suppliers are key to our effectiveness. We ensure no supplier, stakeholder or others in a business relationship with the Trust are discriminated against or unfairly treated. Work continues to streamline/centralise our contracts that deliver value for money.

#### *d) The impact of the Trust's operations on the community and environment*

We ensure our school environments are fit for purpose and consider the environmental impact when making decisions with regards to our infrastructure. As well as covering environmental issues in our school curriculum, the Trust encourages all staff and students to participate in initiatives to reduce negative environmental impacts.

#### *e) The desirability of the Trust maintaining a reputation for high standards of business conduct*

Our reputation and Trust in our schools is fundamental to our future success. We use our organisational values and behaviours to ensure that we maintain high standards. Our procurement policies ensure that our values are also part of our selection of partners and suppliers.

#### *f) The need to act fairly as between members of the Trust*

As a Trust, we place an important emphasis on the professional conduct of all our staff, Members, Trustees, Governors and visitors. This includes being aware of equality, impartiality and the need to act fairly.

# Solent Academies Trust

## Trustees' Report

### Financial Review

The majority of the Academy Trusts income is obtained from both the Department for Education (DfE) via the Education & Skills Funding Agency (ESFA) and Local Authorities, the use of is restricted to particular purposes. The grants received from the DfE and Local Authorities during the year ended 31 August 2022 and associated expenditure is shown as Restricted Funds in the Statement of Financial Activities.

During the year ending 31 August 2022, total expenditure (excluding depreciation, including assets purchased out of revenue funds) was mainly covered by recurrent grant funding from the ESFA or SEND funding from Local Authorities. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy Trust's accounting policies.

The Academy Trust also receives small grants (Devolved Formula Capital) for fixed assets from the DfE and these are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund, along with condition improvement funding awarded by the ESFA through a bidding process for larger capital projects.

The Trust's Chief Finance and Operations Officer continues to ensure robust financial practice and procedures are in place, along with enhanced reporting on the Trust's financial position.

The period end balances as at 31st August 2022 on unrestricted and restricted funds were £764,172:

- Cliffdale Primary Academy £707,913
- Littlegreen Academy deficit £365,078
- Mary Rose Academy deficit £34,752
- Redwood Park Academy £465,637
- Central services deficit £9,548

The Academy Trust Local Government Pension Scheme deficit of £1,561,000 which reflects the Trust's share of the assets and liabilities of both the Hampshire Local Government Pension and West Sussex Local Government Pension Scheme. On 18 July 2013, the Department of Education issued a guarantee that it will meet any pension liability should an academy close. There is no obligation for the Trust to make additional payments to reduce the deficit over and above the employer's percentage contribution for employee who is a member, nor is there is expectation that the Trust will make such payments. The Trust is contractually obliged to offer a LGPS scheme to all support staff, as such the will continue to offer the LGPS to support staff and will pay the required employer contributions as determined in the triennially by the schemes actuaries. The deficit is incorporated within the Statement of Financial Activity in the notes to the financial statements.

# Solent Academies Trust

## Trustees' Report

### **Reserves Policy**

Solent Academies Trust (SAT) has established this reserves policy to protect its activities by providing financial buffers against an unpredictable financial environment and to make sufficient provision for future cash flow requirements. The policy also provides the framework for future strategic planning and decision-making. An effectively implemented reserves policy will mitigate the impact of any risk upon the continuing operations of SAT caused by funding uncertainty.

This policy and the establishment of reserve targets should be based on a continual assessment of the internal and external operating environment. The policy takes into account the Academy Trust Handbook (ATH) and guidance from the Charity Commission. Whilst the ATH is relatively silent on the issue of reserves, it does stipulate the following in relation to GAG:

### *Types of reserves*

Reserves are the representation of the balance available at the period end. In charity accounts, which are used for academies, this balance is transferred into fund balances. These balances can be for "restricted" or "unrestricted" purposes depending on their source.

### *Unrestricted Reserves*

Unrestricted reserves are derived from income funds, grants or donations that can be spent at the discretion of Trustees in furtherance of any of the Trust's objectives. If part of an unrestricted income fund is earmarked for a particular project it may be 'designated' as a separate fund. However, the designation has an administrative purpose only and does not place restrictions on how the fund is eventually spent. Unrestricted reserves will be generally achieved through operating efficiencies and any from trading activities.

### *Restricted Reserves*

Restricted reserves are mainly derived from government grant funding through the ESFA (Education and Skills Funding Agency), Element 3 and other grant funding from the local authority, but may also include other grants or donations provided for a specific purpose. Restricted reserves must be used in accordance with the limitations outlined in the original funding (in the case of ESFA funding, this is as detailed in the Trust's funding agreement).

# Solent Academies Trust

## Trustees' Report

### **Reserves Policy (continued)**

#### *Key policy principles*

The following principles underpin SAT's approach to reserves management:

- a) SAT will aim to set as a minimum, a balanced in-year revenue budget every year.
- b) SAT's reserves balance should only decrease due to capital investment and/or other organisational needs which shall at all times be approved by the Finance and General Purpose Committee.
- c) All reserves are SAT reserves; however individual academies reserve balances will be recorded in order to facilitate administrative requirements, and pooled reserves will be shown under SAT within the financial statements.
- d) As at 31st August 2022 SAT will pool brought forward reserves for all of the existing academies within the Trust with the exception of:
  - a. Condition improvement funding.
  - b. Any donations or income streams that have been specifically restricted to that academy
  - c. Element 3 SEND funding
  - d. Pupil Premium funding
  - e. National Tutoring funding
  - f. PE Grant funding
  - g. Universal Infant Free School Meals funding
  - h. Covid Recovery Premium funding
  - i. High Needs Supplementary Grant funding
- e) The SAT's general reserves balance may be comprised of restricted or unrestricted reserves.

#### *Trust general reserves balance*

SAT's general reserves balance will be maintained at a minimum level equivalent to 5% of GAG, element 3 and high needs supplementary grant funding for all academies within the Trust. Over the next three years the Trust's ambition is to increase this to a level equivalent to 8% of GAG, element 3 and high needs supplementary grant funding.

The Trustees regard 5% as the minimum appropriate level of reserves, given the current operating environment. For the avoidance of doubt, the 5% of GAG, element 3 and high needs supplementary target reserves does not, include any carry forward of unspent CIF/capital funding.

A general reserves balance higher than 8% must be supported by an appropriate plan, for example, for expenditure on school improvement or capital works, or to mitigate a specific foreseen risk. Trustees will consider the SAT's three year financial plan when considering the level of reserves.

# Solent Academies Trust

## Trustees' Report

### **Reserves Policy (continued)**

#### *School in-year surplus balances*

Any in-year surplus balances of any unspent funding will be credited to the SAT Central Fund with the exception of any unspent balances relating to the funding streams detailed in section 3.d above.

Where academies wish to access these reserves, the Principal of the academy will speak with the CEO in the first instance in relation to the project the reserves are required for. The Principal will submit the business case (proposal) in writing to the CEO/CFOO for consideration prior to the proposal being considered by the Finance and General Purpose Committee for discussion and approval.

Examples where academies may wish to put a case forward to the CEO to access their reserves include:

- a) To cover any deficits within the budget.
- b) To assist with covering any capital and IT costs.

#### *Joiner academies*

A surplus balance brought forward into the SAT by a joining academy shall be deployed as follows, in priority order:

- To address urgent compliance and health & safety issues at the time of conversion, as well as other urgent requirements determined by due diligence, e.g. academy improvement. Compliance and health & safety issues will normally be determined by a condition survey commissioned by the SAT.
- Any remaining balance brought forward, will be held centrally with balances recorded against each individual academy. If academies wish to access these balances they will follow the process as stated in this policy.

#### *Academies in deficit*

In exceptional circumstances, individual academies may propose a deficit in-year budget. Such a budget must be accompanied by a deficit recovery plan approved by the Finance and General Purpose Committee, resulting in the deficit being 'repaid' within a timeframe deemed acceptable by the Committee but no longer than five years.

Where the deficit cannot be repaid and a deficit recovery plan is unachievable the academy will be granted permission to use SAT reserves to support the budget. All income and expenditure will be scrutinised and agreed by the Finance and General Purpose Committee as acceptable.

# Solent Academies Trust

## Trustees' Report

### **Reserves Policy (continued)**

#### *Expenditure against reserves balances*

Expenditure that draws on reserves is subject to the same purchasing authority levels as set out in the Scheme of Delegation. To ensure a balanced and equitable approach to the expenditure of reserves across the Trust, spend will generally only be authorised when approved by the Finance & General Purpose Committee. However, reserves can be used in circumstances where an academy must meet statutory responsibilities, without prior approval from the committee.

All expenditure against reserves will be reported to the Finance & General Purposes Committee and a projected end of year balance provided.

#### *Appeals Process*

SAT will have due regard to the funding needs and allocation of each individual academy, ensuring there is a fair distribution of funds to support the Trusts educational objectives.

The process for an academy to appeal is as follows:

- Principal to write to the Chief Executive Officer (CEO) outlining why the academy has been unfairly treated and what action they expect to be taken to rectify it.
- The Executive team will review each academy appeal on an individual academy and Trust wide basis and reply to the constituent academy within 10 days of receipt of the appeal.
- Should the Principal feel that their academy has still been unfairly treated by the Chief Executive Officer, they have the right to appeal to the Board of Trustees. The Board of Trustees will discuss this at the next meeting and write back to the academy within 10 days of that meeting.
- Should the Principal still feel that their academy has been unfairly treated by the Board of Trustees, they have the right to appeal to the Secretary of State. The decision by the Secretary of State will be final.

# Solent Academies Trust

## Trustees' Report

### **Investment Policy**

The Academies Trust Handbook states that academy trusts are required to have an Investment policy to:

- Manage, control and track their financial exposure.
- Ensure value for money.

### Roles and responsibilities

#### *Trustees*

Trustees will ensure that investment risk is properly managed. When considering whether to make an investment, Trustees will:

- a) Act within their powers to invest, as set out in the Trust's articles of association.
- b) Exercise caution in all investments, reducing risk and ensuring that the Trust acts with the utmost integrity.
- c) Take investment advice from a professional advisor, as appropriate.
- d) Ensure that exposure to investment products is tightly controlled so that security of funds takes precedence over revenue maximisation.
- e) Ensure that all investment decisions are in the best interests of the trust and command broad public support.

Trustees will seek prior approval from the Education and Skills Funding Agency (ESFA) for investment transactions that are novel or contentious.

Novel transactions are those of which the Trust has no experience, or are outside the range of normal business activity for the Trust.

Contentious transactions are those which might give rise to criticism of the Trust by Parliament, the public, and/or the media.

#### *Finance and General Purpose Committee*

Trustees delegate responsibility for the Trust's investments to the Finance and General Purpose Committee; this committee is responsible for:

- a) Controlling and tracking financial exposure.
- b) Reviewing the Trust's investments.
- c) Reporting to Trustees on investments.

#### *Chief Finance and Operations Officer/Financial Controller*

The Chief Finance and Operations Officer/Financial Controller is responsible for producing cash flow forecasts and for making decisions on investments. The Chief Finance and Operations Officer/Financial Controller also provides information to the Finance and General Purpose Committee and Board of Trustees, as appropriate.



# Solent Academies Trust

## Trustees' Report

### **Investment Policy (continued)**

#### *Investment principles*

SAT only invests funds in low-risk and easily accessible accounts. Funds will be placed in bank accounts with a withdrawal notice of no more than 12 weeks.

Risk is managed through diversification of investments, ensuring that the security of funds takes precedence over revenue maximisation.

Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings.

#### *Procedures*

Before any funds are invested, the CEO will confirm in writing that they agree to the investment.

The following information will be recorded about investments:

- Date
- Amount and description of the investment
- Length of investment
- Interest rates/expected return

The Chief Finance and Operations Office will review interest rates and compare them with other investment opportunities annually.

Cash flow and current account balances will be monitored regularly by the Chief finance and Operations Officer/Financial Controller to ensure immediate financial commitments can be met and that the current account has adequate balances to meet forthcoming commitments.

When there are funds surplus to immediate cash requirements in the current account, we will transfer these to an account with a higher interest rate.

Investments will normally be for a fixed-term that does not exceed one year unless there is a clear rationale for longer-term investment that would benefit the Trust.

A maximum of £85,000 will be placed with one financial institution; this is because the first £85,000 of an investment is protected by the Financial Services Compensation Scheme.

Funds, and any interest earned on those funds, will be automatically reinvested unless one is required for immediate or anticipated expenditure.

# Solent Academies Trust

## Trustees' Report

### Principal Risks and Uncertainties

Through its Board of Trustees and the constituted sub-committees, the Trust practices risk management principles. It formally reviews its risk management and considers whether risks are being adequately identified and managed with particular regard to reviewing the risks to internal financial control at the trust agreeing a programme of work to address, and provide assurance on, those risks.

Risks are assessed, graded and prioritised in terms of their likelihood and their seriousness, should they occur. All major risks are detailed within the Trust's risk register, these are reviewed regularly at Board level and thereafter communicated to put in place appropriate mitigating action and reduce exposure. The risk register is formally approved on an annual basis at Board level.

The Trustees assessment of the principal risks and uncertainties to the organisation as:

- Financial viability – the continuing success of the Trust depends on maintaining high quality education provision in an environment of sustained, long -term reductions of funding.
- Governance – the continuing success of the Trust depends on clear and effective governance arrangements, with high quality people at all levels of governance.
- Technology- the continuing success of the Trust depends on staff and pupils having adequate access to the and skill sin using technology in order the high quality personalised teaching and learning can be provided both on site and remotely where necessary.
- Trust's Estate – the continued success of the Trust depends on effective management of the Trust's estate to ensure all sites are fit for purpose and meet the educational requirements of our complex pupils; Littlegreen Academy continues to be a high risk for the Trust.
- Staff – the continuing success of the Trust depends on recruiting and retaining high quality staff and providing production and health working environment in which staff can achieve and develop.

### Fundraising

The Trust's approach to fundraising has been to run events, organised by the individual academies, such as Summer Fetes, Christmas Fairs and Family BBQ Days. COVID has again had an impact resulting in fewer events than usual being held.

We have recruited a member of staff who has responsibilities for fundraising and as a Trust have been successful during the year in obtaining grant funding to enhance our curriculum offer. The Trust has engaged with a commercial partner again this year to provide staff training and advice due to staffing changes.

The Trust follows the Institute of Fundraising guidelines and the Code of Fundraising Practice and ensures that schools follow the standards, particularly in relation to fundraising activities. In line with this, our fundraising activities are legal, open, honest and respectful and no one is under pressure to donate. No unsolicited approaches are made to members of the public.

All fundraising undertaken is monitored by the Trust. To date, no complaints have been received about fundraising practices.

# Solent Academies Trust

## Trustees' Report

### Streamlined Energy and Carbon Reporting

*Breakdown of energy consumption used to calculate emissions (kWh):*

Energy type	2021/22	2020/21
<b>Mandatory requirements:</b>		
Gas	1,017,356	1,066,179
Purchased electricity from the grid	892,168	830,992
Purchased electricity from on-site renewable sources	19,391	N/A
Transport fuel	63,675	45,823
<b>Total energy (mandatory)</b>	<b>1,992,590</b>	<b>1,942,994</b>
<b>Voluntary requirements:</b>		
Oil	256,910	204,317
<b>Total energy (voluntary)</b>	<b>256,910</b>	<b>204,317</b>
<b>Total energy (mandatory &amp; voluntary)</b>	<b>2,249,500</b>	<b>2,147,311</b>

*Breakdown of emissions associated with the reported energy use (tCO<sub>2</sub>e):*

Emission source	2021/22	2020/21
<b>Mandatory requirements:</b>		
<u>Scope 1</u>		
Natural gas	185.90	195.90
Company owned vehicles (minibuses)	9.70	10.20
<u>Scope 2</u>		
Purchased electricity (location-based)	172.50	176.40
Purchased electricity from on-site renewable sources	-	-
<u>Scope 3</u>		
Category 6: Business travel (grey fleet)	5.80	0.60
<b>Total gross emissions (mandatory)</b>	<b>373.90</b>	<b>383.10</b>
<u>Intensity ratios (mandatory emissions only)</u>		
Tonnes of CO <sub>2</sub> e per pupil	0.61	0.68
Tonnes of CO <sub>2</sub> e per square meter floor area	0.04	0.04
<b>Voluntary requirements:</b>		
<u>Scope 1</u>		
Oil	63.50	50.40
<b>Total gross emissions (voluntary)</b>	<b>63.50</b>	<b>50.40</b>
<b>Total gross emissions (mandatory &amp; voluntary)</b>	<b>437.40</b>	<b>433.50</b>
<u>Intensity ratios (mandatory &amp; voluntary emissions)</u>		
Tonnes of CO <sub>2</sub> e per pupil	0.72	0.77
Tonnes of CO <sub>2</sub> e per square meter floor area	0.04	0.04

### UK energy use and associated greenhouse gas emissions

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported 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.

# Solent Academies Trust

## Trustees' Report

### **Streamlined Energy and Carbon Reporting (continued)**

#### *Organisational boundary*

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only as defined by the operational control boundary. This includes all four academy schools, minibuses, and the mandatory inclusion of scope 3 business travel in employee-owned or hire vehicles (grey fleet).

#### *Reporting period*

The annual reporting period is 1 September to 31 August each year and the energy and carbon emissions are aligned to this period.

#### *Quantification and reporting methodology*

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2022 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity, gas, oil, and minibus diesel consumption were compiled from invoice records. Mileage claims were used to calculate energy use and emissions associated with grey fleet. On site renewable solar photovoltaic electricity is provided by a third party so is included within scope 2. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur because of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).

#### *Intensity ratio*

Two intensity ratios are reported showing emissions (tCO<sub>2</sub>e) per pupil and per square meter floor area. Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn 2021 Census. Emissions per square meter floor area is reported to reflect the energy efficiency of the buildings, which are the source of most emissions.

#### *Energy efficiency action during current financial year*

The Trust is committed to reducing emissions and this year has seen the installation of five new boilers at Cliffdale Primary Academy to increase efficiency of the heating system at the school.

# Solent Academies Trust

## Trustees' Report

### Plans for Future Periods

As a small multi academy trust currently it is our intention to increase growth to support our civic responsibility to impact a larger number of pupils across the south. Trustees are considering carefully opportunities to support local special and mainstream schools with high numbers of vulnerable pupils and/ or requiring improvement in their educational outcomes for pupils.

Solent Academies Trust now has a broad and rich range of specialist knowledge and expertise across all areas of SEND and disability, including highly specialist provision for young people with social, emotional and mental health needs and Autism. We are now well positioned to work closely with our local mainstream schools and local authorities to support the challenges of increasing demands on special school places by planning proactively for gaps in provision.

We continue to have a relentless commitment of our work with local businesses, colleges and charities to extend opportunities for our young people when they leave our schools.

### Funds Held as Custodian Trustee on Behalf of Others


The MAT does not hold any funds as a custodian for others.

### Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2022 and signed on the board's behalf by:

  
Andrew H Hill (Dec 19, 2022 15:01 GMT)

**Andrew Hill**

Chair of Trustees

# Solent Academies Trust

## Governance Statement

### Scope of Responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO, as accounting officer, 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 Solent Academies Trust 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 seven 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
Mark Mitchell (Chairman)	7	7
Sharon Burt	7	7
Andrew Hill	7	7
Gareth Morgan	7	7
Philip Slaughter	6	7
Ray Mead	6	7
David Hunt	5	7
Sue Banger	4	7
Julia Hughes	3	7
Gordon Duff (appointed 13.12.21)	5	5

During the last academic year, the Board developed a new strategic plan for 2021 – 2024. There was also a restructuring of the executive leadership team to support the realisation of that plan. This academic year the focus for governance has shifted towards delivery where there has been substantial focus on:

- Definition of success criteria and KPI's to measure those criteria
- Action plans to realise strategic objectives
- Identifying and controlling risk associated with change.

# Solent Academies Trust

## Governance Statement

### **Governance (continued)**

We have continued the improved financial reporting with was introduce last year to give confidence in our position as well as integrating this reporting with a more holistic view of our strategy implementation.

We have continued to embed risk management into our governance such that not only the Board, but also each of the sub-committees reviews the status of relevant sections of the risk register at every meeting. This has been mirrored by the executive team and has resulted in us taking action to improve risk control and mitigation.

We have given particular focus to improving risk control in IT security, health and safety management. Recognising that further growth of the Trust is now one of our strategic aims in alignment with the approach outlined in the Government's white paper, we have been ensuring that central capability has been increased to allow for this.

We have also done further work on our Scheme of Delegation in order to provide further clarity on the respective roles of the Trust Board and the local committees which provide support and oversight to individual academies within the trust. In the next year we will be implementing the new scheme in order to enhance effectiveness and efficiency of governance and oversight as a whole.

In terms of the composition of the Board this has been stable over the last year with just one appointment being made. The Trustee Board brings a wide range of skills and capabilities to the governance of the Trust. Attendance levels have been excellent.

The Board's committee structure adopted last year is now well embedded and comprises the following four committees:

- Finance and General Purposes
- Audit and Risk
- Standards
- Staffing and Pay

These committees allow specific aspects of governance to be explored in more detail than is possible at the Trust Board. Each is chaired by a different member of the Trust Board.

There is also a Performance Review Committee which sets annual objectives for the Chief Executive and reviews performance. This consists of two members of the Trust Board and an external advisor.

# Solent Academies Trust

## Governance Statement

### **Governance (continued)**

#### Governance reviews:

During the year, the Trust commissioned Sir David Carter, former National Schools Commissioner to carry out an evaluation of the Trust's governance capabilities in relation to its strategy.

This considered three specific aspects of our governance:

1. Oversight and accountability within the trust.
2. The operational and strategic relationships between the Trust Board and the local committees
3. An assessment of the capability within the Trust to manage growth.

Overall, the findings of this review were very positive and confirmed that the Trust has strong governance. The report made a number of recommendations as to how governance might be further enhanced going forward. These recommendations are now being implemented.

#### *Finance and General Purposes Committee*

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. The committee's purpose includes monitoring financial performance and progress towards the financial KPIs, reviewing the budget and 3 year plan, approval of the financial policies, approval and monitoring of the Trust's Estates strategy, approval and monitoring of the Trust's IT strategy, and oversight of GDPR compliance.

The committee has met three times this academic year. Over the course of the year, the committee's work has included a focus on:

- The production of monthly management accounts and regular monitoring of the Trust's financial position.
- The development of financial KPIs.
- Concerns with the on-going financial sustainability of Littlegreen Academy.
- Implementation of the IT replacement strategy.
- Oversight of GDPR compliance.

Attendance at meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Philip Slaughter (chair)	3	3
Mark Mitchell	3	3
Sharon Burt	3	3
Andrew Hill	3	3



# Solent Academies Trust

## Governance Statement

### Governance (continued)

#### *Standards Committee*

The Standards Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor pupil progress, outcomes, attendance, behaviour, the quality of teaching and approach to CPD. The committee has oversight of safeguarding and the curriculum. It receives reports from external assessors and minutes from meetings of the Academy Governing Bodies.

Over the course of the year the committee's work included:

- Evaluation and scrutiny of KPI impact.
- Recovery Curriculum
- Reviewing external and internal quality assurance reports and the SEFs for each of the academies.
- A focus on the Academy Governing Bodies.
- The committee received detailed presentations on progress from Academy SLTs.

The committee met three times this year. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Gareth Morgan (chair)	3	3
Sharon Burt	3	3
Sue Banger	3	3
David Hunt	1	3

#### *Audit and Risk Committee*

The Audit and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to have oversight of risk management, internal controls, internal and external audit, fraud, whistleblowing, anti-bribery and Health and Safety. Over the course of the year the committee's work included:

- Development of the Trust's risk register and risk management policy.
- Agreeing the internal scrutiny proposal for the year and receiving reports from completed internal scrutiny visits.
- Oversight of the external audit.
- Oversight of the Trust's Health and Safety compliance.
- A review of compliance with the Academies Trust Handbook.

The committee met three times this year. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Andrew Hill (chair)	3	3
Sharon Burt (in attendance)	3	3
Gareth Morgan	3	3
Mark Mitchell	2	3
Ray Mead	2	3

# Solent Academies Trust

## Governance Statement

### Governance (continued)

#### *Staffing and Pay Committee*

The Staffing and Pay Committee is a sub-committee of the main Board of Trustees. Its purpose is to have oversight of the Trust's approach to Human Resources (HR), approval of HR policies, pay progression, equalities, staff welfare and the Trust's approach to CPD.

Over the course of the year the committee's work included:

- A review of the Trust's approach to HR.
- A review of the Trust's wellbeing strategy.
- Approval of equality objectives for the Trust.
- Oversight of staff restructures.

The committee met four times this year. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mark Mitchell (chair)	4	4
Sharon Burt	4	4
Philip Slaughter	3	4
Julia Hughes	2	4
Ray Mead	2	4
Andrew Hill	1	1

#### Conflicts of interest:

Solent Academies Trust adopts the definition of the Charity Commission, which states that a conflict of interest is any situation where a governors' personal interest or loyalty could, or could be seen, to prevent the trustee or governor from making a decision in the best interests of the Trust.

The Trust's register of interests captures all relevant business and pecuniary interests of members, trustees, governors and senior employees, including:

- Directorships, partnerships and employments with businesses.
- Trusteeships and governorships at other educational institutions and charities.
- for each interest: the name and nature of the business, the nature of the interest and the date the interest began.

This includes relevant material interests from close family relationships between the members, trustees or governors and relevant material interests arising from close family relationships between those individuals and employees. 'Close family relationships' is defined as a close member of the family, or member of the same household, who may be expected to influence, or be influenced by, the person. This includes, but is not limited to, a child, parent, spouse or civil partner.

# Solent Academies Trust

## Governance Statement

### **Governance (continued)**

This information will be stored and used by trustees and senior leaders to inform and identify potential areas of conflict to ensure and evidence that transactions with connected parties and trustees and governors have been conducting in accordance with the high standards of accountability and transparency required within the public sector.

Trustees, governors and senior leaders must consider the conflict of interest so that any potential effect on decision-making is eliminated. Trustees, governors and senior leaders must follow any legal or governing document requirements on how a conflict of interest must be handled, but may, in serious cases, decide that removing the conflict of interest itself is the most effective way of preventing it from affecting their decision-making.

Where there is a proposed financial transaction between a trustee, governor or senior leader and the Trust, or any transaction of arrangement involving trustee or governor benefit:

- There must be careful consideration that agreements fully comply with the 'at cost' requirement of the Academies Trust Handbook and confirm that 'at full cost' includes no element of profit. The activity must be authorised in advance by the Audit and Risk Committee. If there is no Audit and Risk Committee meeting planned within the time frame of authorisation being required, then the Chair of the Board and Chair of the Audit and Risk Committee can be contacted to authorise the benefit. If the person affected is the Chair of the Audit and Risk Committee then two other Trustees must authorise the benefit.
- The Board and Governing Body expects the affected trustee, governor or senior leader to be absent from any part of any meeting where the issue is discussed or decided.
- The affected individual should not vote or be counted in deciding whether a meeting is quorate.

Where there is a conflict of loyalty and the affected trustees/governor/senior leader does not stand to gain any benefit and there are no specific governing document or legal provisions about how the conflict of loyalty should be handled, the affected trustee, governor or senior leader should declare the interest.

The remainder of the Board or governing body must then decide what level of participation, if any, is acceptable on the part of the conflicted trustee, governor or senior leader.

Declarations of interests are recorded in a register of interests which will be circulated as part of the papers for each Board or governors meeting.

The Trust will publish on their websites relevant business and pecuniary interests of members, trustees, governors and accounting officers.

# Solent Academies Trust

## Governance Statement

### Review of Value for Money

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

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

- Operating a robust pay and performance management policy which rewards and incentivises effective teachers and does not reward relatively less successful teaching. A designated Staff and Pay Committee is in place to annually review and manage implementation of the Trust's Pay Policy.
- Implementing the Financial procedures approved by Trustees to ensure that an appropriate number of quotations/tenders are received before contracts are awarded.
- Undertaking effective procurement, where appropriate, competitive tendering, to ensure best value is achieved for contracts and services.
- Generally ensuring that 'best price' applies to all purchases.
- Sharing expertise of outstanding senior leaders across Trust academies.
- Streamlining business functions of the Trust to create efficiencies.
- Strategic collaborative working across the Trust during the COVID-19 pandemic.

### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Solent Academies Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

### Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

# Solent Academies Trust

## Governance Statement

### **The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Verity McAuley as Internal Auditor.

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

- Risk Management
- Governance
- Statutory reporting
- Financial Management

The internal auditor reports to the Trustees and provides advice and guidance to the Trust's Audit and Risk Committee, on the operations of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

# Solent Academies Trust

## Governance Statement

### 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 reviewer.
- The work of the external auditor.
- The school resource management self-assessment tool.
- The work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees on 15 December 2022 and signed on its behalf by:

Andrew H Hill  
Andrew H Hill (Dec 19, 2022 15:01 GMT)

**Andrew Hill**  
Chair of Trustees

S. Burt  
S. Burt (Dec 19, 2022 15:52 GMT)

**Sharon Burt**  
Accounting Officer

# Solent Academies Trust

## Statement of Regularity, Propriety and Compliance

As Accounting Officer of Solent Academies Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2021.

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.

S. Burt  
S. Burt (Dec 19, 2022 15:52 GMT)

**Sharon Burt**  
Accounting Officer  
15 December 2022

# Solent Academies Trust

## Statement of Trustees' Responsibilities

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 & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022
- 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 15 December 2022 and signed on its behalf by:

  
Andrew H Hill (Dec 19, 2022 15:01 GMT)

**Andrew Hill**  
Chair of Trustees



# Solent Academies Trust

## Independent Auditor's Report on the Financial Statements to the Members of Solent Academies Trust

### Opinion

We have audited the financial statements of Solent Academies Trust ('the charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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 2021 to 2022 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

# Solent Academies Trust

## Independent Auditor's Report on the Financial Statements to the Members of Solent Academies Trust

### **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 auditor's report thereon. It 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.

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

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

# Solent Academies Trust

## Independent Auditor's Report on the Financial Statements to the Members of Solent Academies Trust

### **Responsibilities of the Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company 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 to preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust, and the sector in which it operates. These include but are not limited to compliance with the Companies Act 2006, 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, the Academy Trust Handbook 2021, and the Academies Accounts Direction 2021 to 2022.
- We obtained an understanding of how the Academy Trust is complying with these frameworks through discussions with management.

# Solent Academies Trust

## Independent Auditor's Report on the Financial Statements to the Members of Solent Academies Trust

- We enquired with management whether there were any instances of non-compliance with laws and regulations or whether they had knowledge of actual or suspected fraud. These enquiries are corroborated through follow-up audit procedures including but not limited to a review of legal and professional costs, correspondence and a review of board minutes.
- We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including the risk of fraud and management override of controls. We designed our audit procedures to respond to this assessment, including the identification and testing of any related party transactions and the testing of journal transactions that arise from management estimates, that are determined to be of significant value or unusual in their nature.
- We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the sector in which the Academy Trust operates in, and their practical experience through training and participation with audit engagements of a similar nature.

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

### Use of our report

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

*Michaela Johns*

M Johns FCCA (Senior statutory auditor)

For and on behalf of Hopper Williams & Bell Limited

Statutory Auditor

Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date ..... 19/12/2022 .....

# Solent Academies Trust

## Independent Reporting Accountant's Assurance Report on Regularity to Solent Academies Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Solent Academies Trust during the period 1 September 2021 to 31 August 2022 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 Solent Academies Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Solent Academies Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Solent Academies Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Solent Academies Trust's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Solent Academies Trust's funding agreement with the Secretary of State for Education dated 30 October 2013 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

# Solent Academies Trust

## Independent Reporting Accountant's Assurance Report on Regularity to Solent Academies Trust and the Education & Skills Funding Agency

### Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration as to whether prior approval was sought from the Secretary of State where it is required by the Academy Trust Handbook (effective from 1 September 2021) (ATH).
- Review of any special payments to staff, including compromise agreements, to consider whether prior approval was sought where required by the ATH and that any payments are in line with the severance guidance published by ESFA.
- Consideration as to whether any borrowings have been made in accordance with the ATH.
- Review of any 'minded to' letters or Notices to Improve which have been issued to the Academy Trust.
- Review of any transactions with related parties to ensure that they have been carried out in accordance with the ATH.
- Review of governance arrangements to determine whether the requirements of the ATH have been met.
- Review of the Academy Trust's internal controls, including whether the general control environment has regard to the regularity of underlying transactions, including fraud management.
- Review of the Academy Trust's procurement policies to determine effectiveness and testing a sample of purchases to confirm that the policies have been correctly implemented.
- Identifying any conditions associated with specialist grant income and determining whether it has been spent as the purposes intended.

# Solent Academies Trust

## Independent Reporting Accountant's Assurance Report on Regularity to Solent Academies Trust and the Education & Skills Funding Agency

### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Michaela Johns*

M Johns FCCA

Reporting Accountant

Hopper Williams & Bell Limited

Chartered Accountants

Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date ..... 19/12/2022

# Solent Academies Trust

## Statement of Financial Activities for the year ended 31 August 2022 (including Income and Expenditure Account)

	Note	Un- restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2021/22 Total £	2020/21 Total £
<b>Income and endowments from:</b>							
Donations and capital grants	2	-	39,363	-	695,551	<b>734,914</b>	797,340
Other trading activities	4	-	-	-	-	-	3,140
Investments	5	225	4	-	-	<b>229</b>	203
<b>Charitable activities:</b>							
Funding for the academy trust's educational operations	3	-	15,698,887	-	-	<b>15,698,887</b>	14,733,855
<b>Total</b>		<b>225</b>	<b>15,738,254</b>	<b>-</b>	<b>695,551</b>	<b>16,434,030</b>	<b>15,534,538</b>
<b>Expenditure on:</b>							
<b>Charitable activities:</b>							
Academy trust educational operations	7	-	15,317,982	2,018,000	1,171,480	<b>18,507,462</b>	16,763,619
<b>Net income / (expenditure)</b>		<b>225</b>	<b>420,272</b>	<b>(2,018,000)</b>	<b>(475,929)</b>	<b>(2,073,432)</b>	<b>(1,229,081)</b>
<b>Transfers between funds</b>	17	-	(208,206)	-	208,206	-	-
<b>Other recognised gains / (losses):</b>							
Actuarial gains / (losses) on defined benefit pension schemes	27	-	-	11,215,000	-	<b>11,215,000</b>	(862,000)
<b>Net movement in funds</b>		<b>225</b>	<b>212,066</b>	<b>9,197,000</b>	<b>(267,723)</b>	<b>9,141,568</b>	<b>(2,091,081)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		280,951	270,930	(10,758,000)	19,915,697	<b>9,709,578</b>	11,800,659
<b>Total funds carried forward</b>		<b>281,176</b>	<b>482,996</b>	<b>(1,561,000)</b>	<b>19,647,974</b>	<b>18,851,146</b>	<b>9,709,578</b>

The notes on pages 57 to 83 form part of these financial statements.



# Solent Academies Trust

## Balance Sheet as at 31 August 2022

Company Number 08374351

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Tangible assets	12		19,014,368		19,196,386
<b>Current assets</b>					
Stock	13	4,708		5,008	
Debtors	14	1,307,913		1,501,169	
Cash at bank and in hand		<u>3,461,131</u>		<u>2,710,120</u>	
		4,773,752		4,216,297	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	15	<u>(3,348,758)</u>		<u>(2,905,441)</u>	
<b>Net current assets</b>			<u>1,424,994</u>		<u>1,310,856</u>
<b>Total assets less current liabilities</b>			20,439,362		20,507,242
Creditors:					
Amounts falling due after more than one year	16		<u>(27,216)</u>		<u>(39,664)</u>
<b>Net assets excluding pension liability</b>			20,412,146		20,467,578
Defined benefit pension scheme liability	27		(1,561,000)		(10,758,000)
<b>Total net assets</b>			<u>18,851,146</u>		<u>9,709,578</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	17	19,647,974		19,915,697	
Restricted income fund	17	482,996		270,930	
Pension reserve	17	<u>(1,561,000)</u>		<u>(10,758,000)</u>	
<b>Total restricted funds</b>			18,569,970		9,428,627
<b>Unrestricted income funds</b>	17		281,176		280,951
<b>Total funds</b>			<u>18,851,146</u>		<u>9,709,578</u>

The financial statements on pages 54 to 83 were approved by the trustees and authorised for issue on 15 December 2022 and are signed on their behalf by:

*Andrew H Hill*

Andrew H Hill (Dec 19, 2022 15:01 GMT)

**Andrew Hill**

Chair of Trustees

The notes on pages 57 to 83 form part of these financial statements.

# Solent Academies Trust

## Statement of Cash Flows for the year ended 31 August 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	21	444,491	678,500
<b>Cash flows from financing activities</b>	22	(12,448)	(12,450)
<b>Cash flows from investing activities</b>	23	318,968	392,233
<b>Change in cash and cash equivalents in the reporting period</b>		<u>751,011</u>	<u>1,058,283</u>
<b>Cash and cash equivalents at 1 September 2021</b>		2,710,120	1,651,837
<b>Cash and cash equivalents at 31 August 2022</b>	24	<u>3,461,131</u>	<u>2,710,120</u>

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 1 Accounting policies

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

#### Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the Academy Trust and are rounded to the nearest £1.

#### 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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Income

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

- **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.

- **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 period is deducted from income and recognised as a liability.

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

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### Income (continued)

- **Other Income**

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

- **Donated goods, facilities and services**

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

- **Donated fixed assets (excluding Transfers on conversion/into the Academy Trust)**

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

### Expenditure

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 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.

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

Leasehold Land and Buildings	2% straight line on buildings; not provided on land
Furniture and Equipment	20% straight line
Computer Equipment	20% straight line
Motor Vehicles	20% reducing balance

No depreciation has been provided on long leasehold land as it is similar to freehold land, which does not require depreciation.

Where the Academy Trust can identify the value of major components of freehold or leasehold buildings based upon additions following conversion to academy status, the Academy Trust reviews whether one or more such components have significantly different patterns of consumption of economic benefits. In such cases, the Academy Trust allocates the cost of the asset to its major components and depreciates each component separately over its useful life.

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.

### Liabilities

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

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### **Provisions**

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### **Leased Assets**

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

### **Financial Instruments**

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

#### *Financial assets*

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

#### *Cash at bank*

Cash at bank is classified as a basic financial instrument and is measured at face value. An investment is treated as a cash equivalent when it has a short maturity of three months or less from the date of acquisition.

#### *Financial liabilities*

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

### **Stock**

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

### **Taxation**

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

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

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### Pensions Benefits

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

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

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

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

A defined benefit plan asset is recognised only to the extent that the Academy Trust expects to be able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

### Fund Accounting

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

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

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

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### Critical accounting estimates and areas of judgement

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

### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions 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 2022. 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.

The assumptions used are disclosed in note 27.

### Critical areas of judgement

There are no other critical areas of judgement.

### Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in the notes to the financial statements.

## 2 Donations and capital grants

	Unrestricted funds	Restricted funds	2021/22 Total	2020/21 Total
	£	£	£	£
Capital grants	-	608,601	608,601	785,359
Donated fixed assets	-	86,950	86,950	-
Other donations	-	39,363	39,363	11,981
	-	734,914	734,914	797,340
<i>Total 2021</i>	-	797,340	797,340	



# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
<b>DfE / ESFA grants</b>				
General Annual Grant (GAG)	-	5,553,288	<b>5,553,288</b>	5,322,253
Pupil Premium	-	329,892	<b>329,892</b>	300,766
UFSM	-	15,757	<b>15,757</b>	10,498
Insurance	-	7,026	<b>7,026</b>	53,975
PE and sports grant	-	50,020	<b>50,020</b>	49,990
Other DfE grants	-	134,225	<b>134,225</b>	376,892
ITT Bursaries Grants	-	-	-	6,930
	-	6,090,208	<b>6,090,208</b>	6,121,304
<b>Other government grants</b>				
Local authority grants	-	8,926,693	<b>8,926,693</b>	7,924,282
Other government grants	-	913	<b>913</b>	-
	-	8,927,606	<b>8,927,606</b>	7,924,282
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up premium	-	82,578	<b>82,578</b>	131,280
Other DfE/ESFA Coronavirus funding	-	-	-	15,101
	-	82,578	<b>82,578</b>	146,381
<b>COVID-19 additional funding (non-DfE/ESFA)</b>				
Other Coronavirus funding	-	-	-	68,970
<b>Other income from the Academy Trust's educational operations</b>				
Trip income	-	32,081	<b>32,081</b>	942
Catering income	-	33,512	<b>33,512</b>	25,866
Other income	-	532,902	<b>532,902</b>	446,110
	-	598,495	<b>598,495</b>	472,918
	-	15,698,887	<b>15,698,887</b>	14,733,855
<b>Total 2021</b>	-	14,733,855	<b>14,733,855</b>	

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 4 Other trading activities

	Unrestricted funds	Restricted funds	2021/22 Total	2020/21 Total
	£	£	£	£
Hire of facilities	-	-	-	3,140
<i>Total 2021</i>	<i>3,140</i>	<i>-</i>	<i>3,140</i>	

### 5 Investment income

	Unrestricted funds	Restricted funds	2021/22 Total	2020/21 Total
	£	£	£	£
Short term deposits	225	4	229	203
<i>Total 2021</i>	<i>178</i>	<i>25</i>	<i>203</i>	

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 6 Expenditure

	Staff costs	Non Pay Expenditure		Total	Total
		Premises	Other	2021/22	2020/21
	£	£	£	£	£
Academy's educational operations:					
Direct costs	11,221,068	-	619,406	<b>11,840,474</b>	10,923,391
Allocated support costs	3,444,285	1,540,335	1,682,368	<b>6,666,988</b>	5,840,228
	<u>14,665,353</u>	<u>1,540,335</u>	<u>2,301,774</u>	<u><b>18,507,462</b></u>	<u>16,763,619</u>
<i>Total 2021</i>	<i>13,354,028</i>	<i>1,034,647</i>	<i>2,374,944</i>	<i><b>16,763,619</b></i>	

Net income/(expenditure) for the period includes:

	2021/22	2020/21
	£	£
Operating lease rentals	<b>44,335</b>	26,405
Depreciation	<b>568,045</b>	411,762
(Gain)/loss on disposal of fixed assets	<b>8,122</b>	22,463
Fees payable to auditor for:		
Audit	<b>13,500</b>	13,030
Other services	<b>4,900</b>	6,470

Included within expenditure are the following transactions:

	Total	Individual items above £5,000	
	£	Amount	Reason
	£	£	
Gifts made by the Academy Trust	<b>366</b>	-	-

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 7 Charitable activities

	2021/22 Total £	2020/21 Total £
Direct costs – educational operations	11,840,474	10,923,391
Support costs – educational operations	6,666,988	5,840,228
	<b>18,507,462</b>	<b>16,763,619</b>

#### Analysis of support costs:

	Educational operations £	2021/22 Total £	2020/21 Total £
Support staff costs	3,444,285	3,444,285	2,843,159
Depreciation	568,045	568,045	411,762
Technology costs	234,497	234,497	230,726
Premises costs	1,540,335	1,540,335	1,034,647
Legal costs - other	9,272	9,272	14,796
Other support costs	847,169	847,169	1,284,634
Governance costs	23,385	23,385	20,504
Total support costs	<b>6,666,988</b>	<b>6,666,988</b>	<b>5,840,228</b>
<i>Total 2021</i>	<i>5,840,228</i>	<i>5,840,228</i>	

Premises costs includes £586,729 (2021: £195,431) in respect of expenditure on projects which were funded by grants from the ESFA.

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 8 Staff

#### a) Staff costs

Staff costs during the period were:

	2021/22	2020/21
	£	£
Wages and salaries	9,613,399	9,060,881
Social security costs	1,432,725	1,349,233
Pension costs	3,159,206	2,557,581
	<b>14,205,330</b>	<b>12,967,695</b>
Agency staff costs	410,585	279,089
Staff restructuring costs	49,438	107,244
	<b>14,665,353</b>	<b>13,354,028</b>
Staff restructuring costs comprise:		
Redundancy payments	-	47,663
Severance payments	28,000	47,279
Other restructuring costs	21,438	12,302
	<b>49,438</b>	<b>107,244</b>

#### b) Severance payments

The academy trust paid two severance payments in the year, disclosed in the following bands:

	No.
£0 - £25,000	<b>2</b>

#### c) Special staff severance payments

Included in staff restructuring costs are special staff severance payments totalling £28,000 (2021: £47,279). Individually, the payments were: £15,000 and £13,000.

#### d) Staff numbers

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

	2021/22	2020/21
	No.	No.
Teachers	101	107
Administration and support	321	302
Management	7	6
	<b>429</b>	<b>415</b>

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### e) Higher paid staff

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

	2021/22	2020/21
	No.	No.
£60,001 - £70,000	5	5
£70,001 - £80,000	3	1
£80,001 - £90,000	1	1
£100,001 - £110,000	1	1

### f) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £748,587 (2021: £702,278).

## 9 Related Party Transactions – Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

		2021/22	2020/21
		£000	£000
Sharon Burt	Remuneration	105-110	105-110
(Chief Executive Officer)	Employer's pension contributions paid	25-30	25-30

During the period ended 31 August 2022, travel and subsistence expenses totalling £529 were reimbursed or paid directly to one trustee (2021: none).

## 10 Trustees and officers insurance

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

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 11 Central Services

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

- Governance including clerking for Academy Committees
- IT Support and Strategy
- Finance function
- Payroll function
- HR team
- Recruitment
- Legal Support Line
- Press Office Facility
- H&S Consultant
- Facilities and H&S Management
- Website management
- MIS strategic management
- Senior Director of Safeguarding and SEND
- DPO
- Fundraising support

The academy trust charges for these services, initially based on a flat 8% (2021: 5%) of GAG and SEN income. The actual amounts charged during the year were as follows:

	2021/22	2020/21
	£	£
Cliffdale Primary Academy	361,796	261,545
Littlegreen Academy	138,315	115,052
Mary Rose Academy	382,334	272,652
Redwood Park Academy	241,896	184,516
	<b>1,124,341</b>	<b>833,765</b>

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 12 Tangible fixed assets

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 September 2021	19,850,353	574,142	596,863	175,180	21,196,538
Acquisitions	-	187,826	151,761	54,562	394,149
Disposals	-	(128,429)	(78,151)	-	(206,580)
At 31 August 2022	19,850,353	633,539	670,473	229,742	21,384,107
<b>Depreciation</b>					
At 1 September 2021	1,334,130	280,404	274,571	111,047	2,000,152
Charged in year	251,887	178,941	119,566	17,651	568,045
Disposals	-	(121,345)	(77,113)	-	(198,458)
At 31 August 2022	1,586,017	338,000	317,024	128,698	2,369,739
<b>Net book values</b>					
At 31 August 2021	18,516,223	293,738	322,292	64,133	19,196,386
At 31 August 2022	18,264,336	295,539	353,449	101,044	19,014,368

### 13 Stock

	2021/22 £	2020/21 £
Uniform stocks	4,708	5,008

### 14 Debtors

	2021/22 £	2020/21 £
Trade debtors	331,818	387,730
VAT recoverable	116,309	119,215
Other debtors	2,490	2,949
Prepayments and accrued income	857,296	991,275
	1,307,913	1,501,169



# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

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

	2021/22	2020/21
	£	£
Trade creditors	496,830	204,994
Other taxation and social security	199,033	186,243
Loans falling due within one year	12,450	12,450
Other creditors falling due within one year	176,902	474,399
Accruals and deferred income	2,463,543	2,027,355
	<b>3,348,758</b>	<b>2,905,441</b>

	2021/22	2020/21
	£	£
Deferred income at 1 September 2021	1,720,189	748,358
Released from previous years	(1,720,189)	(748,358)
Resources deferred in the year	1,929,741	1,720,189
Deferred income at 31 August 2022	<b>1,929,741</b>	<b>1,720,189</b>

At the balance sheet date the academy trust was holding funds received in advance for SEN top up funding, UIFSM, and trip income for the forthcoming financial year.

Loans falling due within one year includes energy efficiency loans from Salix Finance Limited which are provided on an interest-free basis and are repayable in bi-annual instalments from March 2020 to September 2025.

### 16 Creditors: amounts falling due in greater than one year

	2021/22	2020/21
	£	£
Loans falling due in greater than one year	<b>27,216</b>	<b>39,664</b>

Loans falling due in greater than one year includes energy efficiency loans from Salix Finance Limited which are provided on an interest-free basis and are repayable in bi-annual instalments from March 2020 to September 2025.

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 17 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2022 £
<b>Restricted general funds</b>						
General Annual Grant (GAG)	270,930	5,553,288	(5,133,016)	(208,206)	-	482,996
Pupil premium	-	329,892	(329,892)	-	-	-
UIFSM	-	15,757	(15,757)	-	-	-
Insurance	-	7,026	(7,026)	-	-	-
PE and sports grant	-	50,020	(50,020)	-	-	-
Other DfE grants	-	134,225	(134,225)	-	-	-
Local authority grants	-	8,926,693	(8,926,693)	-	-	-
Other government grants	-	913	(913)	-	-	-
Catch-up premium	-	82,578	(82,578)	-	-	-
Other educational activities	-	637,862	(637,862)	-	-	-
	270,930	15,738,254	(15,317,982)	(208,206)	-	482,996
Pension reserve	(10,758,000)	-	(2,018,000)	-	11,215,000	(1,561,000)
	(10,487,070)	15,738,254	(17,335,982)	(208,206)	11,215,000	(1,078,004)
<b>Restricted fixed asset funds</b>						
Fixed asset fund	19,196,386	-	(576,167)	394,149	-	19,014,368
ESFA capital grants (DFC)	44,228	44,436	-	(66,162)	-	22,502
ESFA capital grants (CIF)	640,387	525,581	(586,729)	1,865	-	581,104
Other capital grants	34,696	38,584	(8,584)	(34,696)	-	30,000
Donated fixed assets	-	86,950	-	(86,950)	-	-
	19,915,697	695,551	(1,171,480)	208,206	-	19,647,974
<b>Total restricted funds</b>	<b>9,428,627</b>	<b>16,433,805</b>	<b>(18,507,462)</b>	<b>-</b>	<b>11,215,000</b>	<b>18,569,970</b>
<b>Total unrestricted funds</b>	<b>280,951</b>	<b>225</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>281,176</b>
<b>Total funds</b>	<b>9,709,578</b>	<b>16,434,030</b>	<b>(18,507,462)</b>	<b>-</b>	<b>11,215,000</b>	<b>18,851,146</b>

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 17 Funds (continued)

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

#### **General annual grant**

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the school budget share; minimum funding guarantee; education services grant; insurance; rates; and pre-16 high needs funding streams.

#### **Other DfE/ESFA grants**

This is funding received from the ESFA for specific purposes.

#### **Local authority grants**

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

#### **Other educational activities**

This includes all other educational income/expenditure.

#### **Pension reserve**

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the Academy Trust on conversion.

#### **Fixed asset fund**

The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

#### **DfE/ESFA capital grants**

This is Devolved Formula Capital and Condition Improvement Fund grants received from the DfE/ESFA specifically for expenditure on capital projects.

#### **Transfers between funds**

Transfers to the restricted fixed asset fund represent the cost of fixed asset additions which have been funded from restricted or unrestricted general funds.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 17 Funds (continued)

#### Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2021/22	2020/21
	£	£
Cliffdale Primary Academy	707,913	501,583
Littlegreen Academy	(365,078)	(192,586)
Mary Rose Academy	(34,752)	(65,647)
Redwood Park Academy	465,637	308,531
Central services	(9,548)	-
Total before fixed assets and pension reserve	764,172	551,881
Restricted fixed asset fund	19,647,974	19,915,697
Pension reserve	(1,561,000)	(10,758,000)
Total	18,851,146	9,709,578

The following academies are carrying a net deficit on their portion of the funds as follows:

	£
Littlegreen Academy	365,078
Mary Rose Academy	34,752
Central services	9,548

The Academy Trust is taking the following action to return the academies to surplus:

The Academy Trust acknowledges that the Littlegreen budget forecasts are showing an in-year deficit for the foreseeable future due to the recent cost of living pay award. Trustees are clear that this should be kept as low as possible, however the safety of our pupils remains paramount. There is currently a funding gap between actual pupil costs and SEND funding received from West Sussex County Council. The Academy Trust is currently working closely with West Sussex County Council to find a solution. The current site poses significant challenges for the Academy Trust, both financially and operationally, as the site is situated within the South Downs National Park and is a grade II listed building. The main building dates back to approximately 1802 and the fabric of the building is fragile due to its age. This has an impact on the annual costs year-on-year in respect of maintaining such an old building. The Academy Trust is committed to finding a solution to the challenges faced by Littlegreen Academy. An application for the School's Rebuilding Programme has been successful and we are now working with the Department of Education on future plans for the academy. We are delighted that the pupils and staff will have a new purpose built state of the art, carbon neutral building. The Trust continues to work with Littlegreen Academy on a deficit recovery plan.

Mary Rose has set an in-year surplus budget and forecasts to do so for the next three years. Trustees are very clear that this must be the case to reduce the small remaining deficit as soon as possible. Regular monitoring is now taking place and accurate pupil funding schedules are kept and updated monthly, thus highlighting any funding gaps. The Trust continues to work with Portsmouth City Council to ensure pupils are funded

Central services are in a deficit position due to the redundancy costs associated with the closure of the ITT programme. This deficit is planned to be recovered during the 2022/2023 financial year.

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 17 Funds (continued)

#### Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excl. dep- reciation) £	2021/22 Total £	2020/21 Total £
Cliffdale Primary Academy	3,651,440	1,092,313	106,077	825,459	<b>5,675,289</b>	4,691,431
Littlegreen Academy	1,358,174	453,896	218,385	332,024	<b>2,362,479</b>	2,486,076
Mary Rose Academy	3,838,520	1,163,407	155,829	613,261	<b>5,771,017</b>	4,886,547
Redwood Park Academy	2,246,007	709,915	138,216	727,870	<b>3,822,008</b>	3,102,233
Portsmouth Teaching School	126,927	24,754	899	156,044	<b>308,624</b>	1,185,570
	<b>11,221,068</b>	<b>3,444,285</b>	<b>619,406</b>	<b>2,654,658</b>	<b>17,939,417</b>	<b>16,351,857</b>

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 17 Funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2021 £
<b>Restricted general funds</b>						
General Annual Grant (GAG)	169,774	5,322,253	(4,886,638)	(334,459)	-	270,930
Pupil premium	-	300,766	(300,766)	-	-	-
UIFSM	-	10,498	(10,498)	-	-	-
Insurance	-	53,975	(53,975)	-	-	-
PE and sports grant	-	49,990	(49,990)	-	-	-
Other DfE grants	-	48,052	(48,052)	-	-	-
ITT Bursaries Grants	-	6,930	(6,930)	-	-	-
Teaching School Grants	317,439	774,886	(1,143,603)	51,278	-	-
Local authority grants	-	7,896,282	(7,896,282)	-	-	-
Catch-up premium	-	131,280	(131,280)	-	-	-
Other DfE/ESFA C-19 funding	-	15,101	(15,101)	-	-	-
Other Coronavirus funding	-	68,970	(68,970)	-	-	-
Other educational activities	-	66,878	(66,878)	-	-	-
	487,213	14,745,861	(14,678,963)	(283,181)	-	270,930
Pension reserve	(8,441,000)	-	(1,455,000)	-	(862,000)	(10,758,000)
	(7,953,787)	14,745,861	(16,133,963)	(283,181)	(862,000)	(10,487,070)
<b>Restricted fixed asset funds</b>						
Fixed asset fund	19,237,282	-	(434,225)	393,329	-	19,196,386
ESFA capital grants (DFC)	19,460	43,024	-	(18,256)	-	44,228
ESFA capital grants (CIF)	220,071	577,056	(195,431)	38,691	-	640,387
Other capital grants	-	165,279	-	(130,583)	-	34,696
	19,476,813	785,359	(629,656)	283,181	-	19,915,697
<b>Total restricted funds</b>	<b>11,523,026</b>	<b>15,531,220</b>	<b>(16,763,619)</b>	<b>-</b>	<b>(862,000)</b>	<b>9,428,627</b>
<b>Total unrestricted funds</b>	<b>277,633</b>	<b>3,318</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>280,951</b>
<b>Total funds</b>	<b>11,800,659</b>	<b>15,534,538</b>	<b>(16,763,619)</b>	<b>-</b>	<b>(862,000)</b>	<b>9,709,578</b>

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 18 Analysis of net assets between funds

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	19,014,368	19,014,368
Current assets	281,176	3,858,970	-	633,606	4,773,752
Current liabilities	-	(3,348,758)	-	-	(3,348,758)
Non-current liabilities	-	(27,216)	-	-	(27,216)
Pension scheme liability	-	-	(1,561,000)	-	(1,561,000)
<b>Total net assets</b>	<b>281,176</b>	<b>482,996</b>	<b>(1,561,000)</b>	<b>19,647,974</b>	<b>18,851,146</b>

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

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	19,196,386	19,196,386
Current assets	280,951	3,216,035	-	719,311	4,216,297
Current liabilities	-	(2,905,441)	-	-	(2,905,441)
Non-current liabilities	-	(39,664)	-	-	(39,664)
Pension scheme liability	-	-	(10,758,000)	-	(10,758,000)
<b>Total net assets</b>	<b>280,951</b>	<b>270,930</b>	<b>(10,758,000)</b>	<b>19,915,697</b>	<b>9,709,578</b>

### 19 Capital commitments

	2021/22	2020/21
	£	£
Contracted for, but not provided in the financial statements	611,104	675,083

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 20 Long-term commitments, including operating leases

#### Operating leases

At 31 August 2022 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021/22	2020/21
	£	£
Amounts due within one year	8,901	13,954
Amounts due between one and five years	6,439	15,340
	<u>15,340</u>	<u>29,294</u>

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

	2021/22	2020/21
	£	£
Net expenditure for the reporting period	(2,073,432)	(1,229,081)
Adjusted for:		
Depreciation	568,045	411,762
(Gain)/loss on disposal of fixed assets	8,122	22,463
Capital grants from DfE and other capital income	(695,551)	(785,359)
Interest receivable	(229)	(203)
Defined benefit pension scheme cost less contributions payable	1,840,000	1,317,000
Defined benefit pension scheme finance cost	178,000	138,000
Decrease in stocks	300	182
Decrease / (increase) in debtors	175,919	(647,350)
Increase in creditors	443,317	1,451,086
Net cash provided by Operating Activities	<u>444,491</u>	<u>678,500</u>

### 22 Cash flows from financing activities

	2021/22	2020/21
	£	£
Repayments of borrowing	(12,448)	(12,450)
Net cash used in financing activities	<u>(12,448)</u>	<u>(12,450)</u>



# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 23 Cash flows from investing activities

	2021/22	2020/21
	£	£
Dividends, interest and rents from investments	229	203
Purchase of tangible fixed assets	(307,199)	(393,329)
Capital grants from DfE Group	587,354	620,080
Capital funding received from sponsors and others	38,584	165,279
Net cash provided by investing activities	<u>318,968</u>	<u>392,233</u>

### 24 Analysis of cash and cash equivalents

	2021/22	2020/21
	£	£
Cash at bank and in hand	<u>3,461,131</u>	<u>2,710,120</u>

### 25 Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	Acquisition/ disposal of subsidiaries £	New finance leases £	Other non-cash changes £	At 31 August 2022 £
Cash	2,710,120	751,011	-	-	-	3,461,131
Loans falling due within one year	(12,450)	-	-	-	-	(12,450)
Loans falling due after more than one year	(39,664)	12,448	-	-	-	(27,216)
<b>Total</b>	<b>2,658,006</b>	<b>763,459</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,421,465</b>

### 26 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.

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 27 Pension and similar obligations

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

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

Contributions amounting to £120,140 were payable to the schemes at 31 August 2022 (2021: £207,849) and are included within creditors.

#### Teachers' Pension Scheme

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

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 four 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 27 Pension and similar obligations (continued)

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

The employer's pension costs paid to TPS in the period amounted to £1,018,976 (2021: £976,890).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was as follows:

	2022	2021
	£	£
Employer's contributions	873,000	818,000
Employees' contributions	270,000	247,000
	<u>1,143,000</u>	<u>1,065,000</u>

The agreed contribution rates for future years are 18.9% for employers and 5.5% to 12.5% for employees.

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

#### Principal actuarial assumptions

	2022	2021
Rate of increase in salaries	3.7%	3.6%
Rate of increase for pensions in payment/inflation	2.7%	2.6%
Discount rate for scheme liabilities	4.0%	1.7%
Inflation assumption (CPI)	<u>2.7%</u>	<u>2.6%</u>

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

	2022	2021
<i>Retiring today</i>		
Males	22.9	23.1
Females	<u>25.4</u>	<u>25.5</u>
<i>Retiring in 20 years</i>		
Males	24.7	24.8
Females	<u>27.1</u>	<u>27.3</u>

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 27 Pension and similar obligations (continued)

#### Sensitivity analysis

	Increase/(reduction) in defined benefit obligation	
	2022	2021
	£	£
Discount rate +0.1%	8,513,000	(662,000)
Discount rate -0.1%	8,555,000	683,000
Mortality assumption – 1 year increase	8,566,000	827,000
Mortality assumption – 1 year decrease	8,502,000	(806,000)

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

	2022	2021
	£	£
Equities	6,733,000	6,603,000
Gilts	1,929,000	2,082,000
Property	986,000	702,000
Cash and other liquid assets	124,000	81,000
Other	1,986,000	2,035,000
Total market value of assets	11,758,000	11,503,000

The actual return on scheme assets was -£798,000 (2021: £1,670,000).

#### Amount recognised in the Statement of Financial Activities

	2021/22	2020/21
	£	£
Current service cost	2,713,000	2,135,000
Interest income	(204,000)	(157,000)
Interest cost	382,000	295,000
Total amount recognised in the SOFA	2,891,000	2,273,000

# Solent Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 27 Pension and similar obligations (continued)

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

	2021/22	2020/21
	£	£
<b>At 1 September</b>	<b>22,261,000</b>	<b>17,076,000</b>
Current service cost	2,713,000	2,135,000
Interest cost	382,000	295,000
Employee contributions	270,000	247,000
Actuarial (gain) / loss	(12,217,000)	2,375,000
Benefits paid	(90,000)	133,000
<b>At 31 August</b>	<b>13,319,000</b>	<b>22,261,000</b>

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

	2021/22	2020/21
	£	£
<b>At 1 September</b>	<b>11,503,000</b>	<b>8,635,000</b>
Interest income	204,000	157,000
Actuarial (loss) / gain	(1,002,000)	1,513,000
Employer contributions	873,000	818,000
Employee contributions	270,000	247,000
Benefits paid	(90,000)	133,000
<b>At 31 August</b>	<b>11,758,000</b>	<b>11,503,000</b>

### 28 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period:

#### Expenditure Related Party Transactions:

During the year, a close family member of one of the Academy Trust's key management personnel was employed by the Academy Trust. Total remuneration was £23,105 (2021: £nil) and the employer's pension contribution was £4,815 (2021: £nil).

### 29 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2022 the Academy Trust received and disbursed £3,288 from the fund. There were no undistributed funds repayable to ESFA. Comparatives for the accounting period ending 31 August 2021 are £2,253 received, £2,253 disbursed and no undistributed funds repayable to ESFA.