

Company Registration No. 09343767 (England and Wales)

SOMERSET ROAD EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

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SOMERSET ROAD EDUCATION TRUST

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SOMERSET ROAD EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

T Branch (Member and Trustee)
C Clifford (resigned 9 December 2020)
D Goldsmith
A Mayhew (Representative of the Corporate Member)
D Melville
M Podkolinski (appointed 31 March 2021)

Trustees

T Branch (Chair of Trustees)
M Sambrook (CEO/Executive Principal & Accounting Officer)
L Steer (Resigned 23 March 2021)
R McClatchey (Chair of Resources Committee & Chair of Audit Committee)
J Baylis
O Bourne
D McKay (Leave of absence due to professional commitments)
D Bray (Appointed 23 September 2020)
P Daniel (Appointed 27 January 2021)

Senior management team

- Head Exeter House
- Head St Marks CE Junior School
- Head Wyndham Park Infants School
- Trust Business Manager

M Sambrook
G Flemington (resigned 31 August 2021)
G Flemington (resigned 31 August 2021)
S Day

Company secretary

S Day

Company registration number

09343767 (England and Wales)

Registered office

Exeter House School
Somerset Road
Salisbury
Wiltshire
SP1 3BL

Academies operated

Exeter House Special School
St Marks CE Junior School

Location

Salisbury
Salisbury

Headteacher

M Sambrook
G Flemington (resigned 31 August 2021)
G Flemington (resigned 31 August 2021)

Wyndham Park Infants School

Salisbury

Somerset Road Education Trust

Salisbury

Independent auditor

Moore (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

SOMERSET ROAD EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank Plc Salisbury
38 Blue Boar Row
Salisbury
Wiltshire
SP1 1DB

Solicitors

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report, together with the financial statements and Auditors Report for the charitable company, Somerset Road Education Trust (SRET) for the 12 months commencing 1 September 2020 and ending 31 August 2021. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

What we do

Education should empower children to become active participants in the transformation of their societies. It develops a pupil's perspective of looking at life. It helps pupils build opinions and have points of view. Learning should also focus on the values, attitudes and behaviours which enable individuals to live together in this complex world: characterised by the existence of different types of people, who have different beliefs and opinions but who live in the same society. Our challenge is to deliver this education, whilst also delivering the educational outcomes sought, measured and published by our funding partners.

We are an outward facing Trust, keen to work and engage with communities, schools and Trusts, to help and support the education of all children. This year, despite the on-going limitations created by COVID we have continued to develop our inclusive vision undertaking the work to establish two new resource bases from September 2021 (one at St Mark's and one at Wyndham Park), whilst developing our approach and focus on quality of education through significant staff investment and organisational restructures to maximise this. In addition, actions have been taken to enable financial sustainability to be delivered in the 2020/21 academic year and beyond.

The Trust offers primary education in both an infant and junior school to children living in and around Salisbury and specialist education to children with severe, complex, and profound disabilities from Wiltshire, but also from Hampshire and Dorset.

This year the Multi Academy Trust (MAT) operated three academies.

- Exeter House Special School – caters for children aged 2 – 19 with severe and profound multiple learning difficulties. The school had a capacity of 152 and pupil numbers of 152. From September 2020 our capacity increased to 152 from 142 and we are full. Our Post 14 Vocational Centre is based in the centre of Salisbury.
- St. Mark's C of E Junior School – caters for children from 7 – 11 (years 3 – 6). It has three classes of 30 pupils in each of our four-year groups, giving a total capacity of 360 pupils. Total number on role 362. St Mark's is a Church of England school and upholds Christian and Anglican values.
- Wyndham Park Infants School – caters for reception and years 1 and 2 children. It has three classes of 30 pupils in each of its three-year groups, giving a total capacity of 270 pupils. Total number on role 248.

From September 2020 both St Mark's and Wyndham Park academies have operated under one Head Teacher, with a goal to deliver one leadership team which will serve both schools. However, because of this headteacher leaving and re-evaluation of this approach both schools will be operating with a head of school from September 2021.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

Constitution

The Trust is a company limited by guarantee and is an exempt charity. The company Articles of Association remain the primary governing documents of the Trust.

The Trustees of Somerset Road Education Trust (SRET) are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Somerset Road Education Trust.

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

Members' liability

The role of a Member is to keep an oversight of the Trust board but not to be involved in the day to day management of the Trust. For example, Members appoint the Trust's auditors and receive the annual audited financial statements, but these are signed by a representative of the Trust board. Members hold the powers to:

- Amend the Articles subject to any restrictions in the Trust's funding agreement
- Appoint new and remove existing Members
- Appoint new and remove serving Trustees
- Issue direction to the Trustees to take a specific action
- Instruct Trustees to convene an AGM
- Change the name of the charitable company and,
- Ultimately, they have the power to wind up the Trust.

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, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a Member.

Trustees' indemnities

Since the incorporation of the charitable company on the 5 December 2014 the Trustees have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. The indemnity is £10,000,000 and available under the ESFA insurance pooling scheme.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Method of recruitment and appointment or election of Trustees

In accordance with our Articles of Association the Members are responsible for recruiting Trustees/ Directors.

- The academy Local Governing Committees (LGCs), which reduced to two with effect from September 2019, have a seat on the board.
- A further three Trustees are Foundation Trustees appointed by the Diocese of Salisbury.
- The remaining Trustees are recruited externally.

When recruiting a new Trustee, we seek to improve our board capability and diversity. A vacancy on the board is an opportunity to access new thinking, insights, experiences, and knowledge, which can impact positively on decision making, corporate governance, and performance.

Whilst recruiting a more diverse group of board members is important, it is not in itself enough. It must be accompanied by inclusion, a culture that genuinely welcomes, values and leverages the advantages of diversity.

The Trust follows a safe recruitment procedure in line with current legislation whereby all candidates are asked to complete a standard application form, including a schedule of all previous employment, the reason they wish to become a Trustee and to provide personal references, who can provide further information on their suitability for the role. The prospective candidates will be long listed, then short listed. An interview panel of Trustees will undertake a competency-based interview with those on the short list to determine what if any recommendation should be made to the Members. Prior to any appointment being made various background checks will be undertaken which will include appropriate DBS (Disclosure and Barring Service) certification.

Policies and procedures adopted for the induction and training of Trustees

It is essential that all Trustees are fully aware of their role and responsibilities. Whilst there is a standard induction program for all Trustees, this is suitably tailored to the individual experience and need of each Trustee. Induction consists of reading various publications that support the governance of the Trust, web-based training courses and all Trustees will visit each academy to observe teaching and have the opportunity to talk to Headteachers, heads of school, staff and pupils.

The Trustees currently subscribe to the National Governors' Association and we arrange for further external training, or attendance at various conferences if required. An ongoing training programme ensures Trustees' knowledge and skills remain current. Governance was managed well over the Pandemic year with all meetings taking place within Covid 19 rules – via teams or in person whatever the ruling was. All minutes were disturbed in a timely manner and circulated within normal timeframes.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure

Trustees of SRET are both Trustees of the charity and Directors of the company limited by guarantee. The Charities Act 2011 defines Charity Trustees as the people responsible under the charity's governing document for controlling the administration and management of the charity. They are known collectively as the SRET board.

Under charity law the board has the ultimate responsibility for directing the affairs of the Trust, and ensuring that it is solvent, well run and delivering the charitable outcomes for which it has been set up. Trustees have several legal duties, which are often termed as those of compliance, care and prudence

Trustees must:

- Ensure that the Trust has a clear strategy that will enable it to fulfil its charitable aims and is focused on achieving these.
- Be responsible for the performance of the Trust, for its impact upon stakeholders and for its corporate behaviour:
- Ensures the Trust complies with all constitutional, legal, regulatory and statutory requirements, in addition to the various policies adopted.
- Be stewards of the Trust assets, both tangible and intangible, taking care over their security, and how they are used:
- Ensure that governance is of the highest standard

The CEO/ Executive Principal is the Accounting Officer of the Trust and has executive responsibility for implementing the strategy and policies established by the board.

Arrangements for setting pay and remuneration of key management personnel

All staff fall under our agreed pay policy and are assessed by their Headteacher/ Executive Principal. All pay increment recommendations are subject to review and authorisation by our Pay Panel. The Trust adopts the School Teachers' Pay and Conditions Document 2020 and any additional guidance on schoolteachers' pay and conditions written by the DFE.

The Headteachers within the Trust are deemed "key management personnel" and their performance management is undertaken by the Executive Principal and their LGC Chair. The Executive Principal is both the Headteacher of Exeter House and CEO/Accounting Officer of the Trust and accordingly is performance managed by a panel which includes the Chair of Exeter House LGC, the Chair of the SRET Board and an external independent professional whose specialism is education/school improvement from outside the Trust.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	1.00

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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Related parties and other connected charities and organisations

SRET has no formal relationship with related parties or connected charities or organisations.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

Objects and aims

Our purpose, vision, goals, values, beliefs, and behaviours.

Our purpose as stated in our articles of association, is to advance for the public benefit, education in the UK, by managing and developing academies which offer a broad and balanced curriculum.

Our vision guides everything we do - we exist to change lives for the better and so seek the best possible education for all through increasing access, opportunity, and possibility.

Our goals challenge us to achieve specific outcomes over the medium term, which will support the delivery of our vision:

- To achieve outstanding Ofsted inspections for all schools and gain external recognition of outstanding provision and practice.
- To successfully prepare pupils for the next stage of their education / life.
- To be a centre for excellence in education.
- To be an emotionally healthy trust.
- To ensure and maintain high stakeholder engagement.

Our values and beliefs underpin our vision. Exciting and challenging as our vision and goals are, we can only truly succeed if we work in accordance with our values and beliefs. Our values of inclusion, aspiration, achievement and fulfilment shine out from our beliefs.

- We believe in the extraordinary in everyone.
- We believe that everyone is a valuable part of society, no matter what their needs or difficulties.
- We believe that everyone should be valued and has the right to feel fulfilled and challenged.
- We value and respect the beliefs and faiths of all peoples.
- We believe that education is a key to change and that change is both important and necessary.

Our behaviours. We exist to change lives for the better – to do this:

- We not only believe in the extraordinary but seek it out in everyone we work with and who works for us.
- We champion inclusion – so that no matter what your needs are, you will be embraced by our community and valued for who you are and the possibility of what you can be.
- We challenge pupils and staff alike to grow as learners and actively engage in the community where they will not only be valued but also recognise the value in others.
- We promote the importance of education and learning for all as we recognise that through education; achievement, aspiration and opportunity improves for each of us as does our capacity to recognise this in others.

We have made good progress in delivering our planned changes.

Our focus remains the development and delivery of a consistently high quality, balanced education, valuing all students, no matter their needs and differences. We seek to deliver this by creating an environment and through a curriculum, which provides the fullest possible opportunity and challenge. We remain unshakeable in our belief that everyone is capable of extraordinary accomplishments.

This year our academies have delivered on their plans, building capacity and increased dynamism, to address many challenges. Decisions have been made that keep the needs of our pupils and employees central to the improvement of the organisation. Critical to this, has been a focus on:

- Improving standards; where each academy takes ownership for the establishment of systems and structures providing a firm foundation from which to take the next step.
- Strategic coherence across the Trust and in all academies.
- An enhanced understanding about how efficiency, effectiveness and sustainability provide the necessary lens through which to evaluate the direction and decisions taken.
- Delivering structural change and negotiating changes to funding arrangements to deliver stability and financial sustainability to the Trust for the medium term.

We have moved demonstrably closer to delivering our medium-term plans.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Our progress to date against our medium term goals update:

Goals Progress against board agreed goals

To achieve outstanding Ofsted Inspections for all schools

1) The Trust is delivering a balanced education which it has improved and developed over the course of the year.

2) Whilst the Trust still has work to do, our own assessments verified annually by an independent third party, confirms we are on a path to delivering outstanding provision and practice within the time scales of our plan. Specific examples of this are the movement of St Mark's to an Ofsted rated good school (February, 2020) and the recognition of improved provision, practice and leadership at all the schools through our annual Challenge Partner reports (Dec, 2019; February, 2020; March, 2020). Over the last year due to restrictions around school visitation external scrutiny has been harder to provide but through external consultancy for Exeter House and specific internal scrutiny at Wyndham Park and St Mark's – including specifically an in-depth SEND review process as well as enhanced rigour and oversight through the Trust standards committee we believe that we are still on track to meet our aims.

3) The 2019 KS2 results at St. Mark's that placed the academy towards the very top of Junior Schools in Wiltshire have been sustained this year. However, with the second year of cancellation for annual national testing and statutory assessments across the primary phase has meant that comparisons and outcomes are not as straightforward to benchmark/ verify but indications of sustained performance at all key points would have been expected.

To successfully prepare pupils for the next stage of their education / life

1) The trend of improving education outcomes at KS2 and KS5 results, provides pupils with challenge, achievement and preparedness for the next stage of their education.

2) At the Exeter House Vocational Centre, we prepare our students for work, by seeking work experience opportunities in the local community. We are now in a position where all post-16 students undertake work experience and provision and relationships with local providers. This approach had been significantly enhanced pre-COVID. Over the last year we have been trying to re-establish these relationships, which has been extremely challenging given the limitations but we feel that the work done over the last year puts us in a strong place for recovery of this provision over 2021-22.

3) Work is being carried out to ensure the characteristics of secondary and junior school readiness have been identified and are built into the school curriculum. Through our status as a Challenge Partner hub, we have moved membership from 4 to 13 schools which encompass all our local secondary partners and built capacity for stronger, more sustainable, and impactful relationships.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

To be a centre for excellence in education

1) Exeter House has been identified as the Centre of Excellence for SEN (Special Educational Needs) in South Wiltshire within the LA (Local Authority) vision of a system of excellence. The Headteacher of Exeter House has worked part-time for the LA in the development of this model and the wider inclusion agenda over the last 2 years. This year we have also prepared for the establishment of 2 resourced based provisions – one at Wyndham Park and one at St Mark's for a September 2021 start. This has been in response both local need and the high-quality work and positive relationship with the local authority. This proposal was signed off by the RSC in August 2021.

2) Our work on school improvement has been recognised. This has particularly focused around the work of Exeter House who have worked with approximately 44 schools and 13 Early Years Provisions over the last three years. Given the limitation of visitation and wider schools engagement this work, although has taken place in a reduced form over the last year is now less established than it was. This is still of high interest locally and we expect to re-establish this work again at a greater scale over 2021-22.

3) Exeter House continues to develop its work as an Autism Education Trust (AET) hub for Wiltshire working with pupils from early years to Post-16.

4) There has been no opportunity or invitation to apply for National Support School status again this year and with this model set to change it may necessitate and adaptation to the current details within this goal.

To be an emotionally healthy trust

1) Wellbeing groups have been established each academy, with coordination through our centralised HR (Human Resources) team.

2) We are developing structures and systems around stakeholder voice and how this can be best used to effect positive change. Developments within the Primary Learning Collaboration have been a strength of this work currently.

3) Key staff have undertaken Mental Health First Aid Training.

To ensure, maintain and build high stakeholder engagement

1) Our governance structure particularly the LGCs helps collect feedback from, and engage in dialogue with pupils, parents, and staff. The establishment of a Primary LGC for both St Mark's and Wyndham Park schools has enabled great continuity between the two schools whilst increasing strategic oversight and engagement.

2) Surveys and meetings provide quantitative and qualitative feedback. Further plans for the development of academy staff, parent and pupil forums are in process.

Public benefit

The primary purpose of SRET is the advancement of education within the local area. SRET has given a priority to providing public benefit to a cross section of the community, regardless of family background. The greatest benefit that SRET offers is the provision of an education that maximises each student's potential to develop into principled, informed, open minded and confident citizens who respect the beliefs of others and who are determined to make a positive contribution to society.

The Trustees adhere closely to the guidance provided in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

Our strategic report

To deliver on our goals we have set our self, three enabling objectives. During this year we have delivered:

Objective 1: Improve leadership and increase capacity

- Developed a compelling vision and three-year plan with agreed goals and milestones, which reaffirms our aim to achieve external recognition of outstanding provision and practice and financial sustainability.
- Through the establishment of a Primary Learning collaboration for both St Mark's and Wyndham Park we have been able to build upon what the two schools could offer separately this has included:
- Better, broader offer for pupils, both curricular & extra – curricular, with a positive impact on standards for both schools.
- Better strategic oversight across the three schools
- More opportunity to employ specialist staff, leading to improved recruitment, succession planning, CPD (Continuing Professional Development) and retention.
- Enable the same systems of data collection, assessment, moderating, benchmarking, and improvements across both schools.
- A greater capacity for innovation and development.
- A more sustainable financial position.
- Over the course of the last 2 years the Headteacher at Exeter House has been released for between 2-3 days a week as a secondment to work with the local authority to help address the significant and wider issues impacting on specialist education at this time. Although some of the work was interrupted by the COVID pandemic positive strides were made for system development and significant work was undertaken to support high needs pupils in the pandemic. During this time the Deputy Head teacher at Exeter House has stepped up as the Head of School and breadth of responsibility was delegated across the wider leadership team. There have been many positives through this approach including further investment and development of staff and the wider organisational structures. An adapted version of this model will be continued for 2021-22.

Objective 2: Improving standards and raise aspirations

- As identified above this year has shown an increase in each academy's aspiration of what can be achieved. However due to the impact of the COVID pandemic which resulted in decreased access to onsite provision for many students and the cancellation of statutory assessment processes for a second year the impact of what has been developed is harder to quantify and externally validate. The Trust continues to carry out external scrutiny wherever possible and increased rigour of internal assessment measures goes some way to supporting this.
- All academies have been assessed against our school improvement model, which delivers clear action orientated feedback to facilitate continuous improvement.
- The Trust has significantly improved membership of its Challenge Partner hub in just one year – moving from 4 to 13 members.
- Exeter House continues to undertake its wider work within the LA vision of a SEND system of excellence.
- Exeter House has undertaken a significant amount of work through the role it has as an Autism Education Trust (AET) hub for Wiltshire over the last two years from early years to Post – 16 pupils. Including this work and the wider outreach work the school has worked with approximately 43 schools and 13 EYFS settings.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objective 3: Enhance resources and maximise their use

- The work of the Primary Learning collaboration has been a key facet to this as it provides a model built upon improved effectiveness and sustainability. Adaptations to this model have been made this year ready for a head of school model from 2021-22.
- We have further developed our centralised provision for HR services, tackling issues previously undertaken at academy level more efficiently at Trust level. This has continued to reduce duplication, improve quality and enabled more time to be spent by senior leaders on improving education outcomes for pupils.
- Our planned centralisation of both our finance and IT has taken steps forward this year and we are now well underway in achieving this aim in a model that is more functional and effective. The IT function will be fully centralised for the 2021-22.
- We have further improved our risk management framework, specifically the identification and management of risk and how this is scrutinised at Trust and committee level.

Academy reports

Wyndham Park Infants School

- Wyndham Park is a larger than average (infant) three form entry infants' school with a PAN of 270
- Numbers on roll (248) are down on previous four years
- There are nine classes catering for children aged 4-7 years old
- Location deprivation indicator was in quintile 1 (i.e. least deprived) of all schools
- Classes are taught by a high proportion of part-time staff (11) vs full-time (4) - September Majority full-time
- Pupil stability is high (97%) i.e. vast majority who start in YR completing Y2
- 98% of Y2 cohort transfer to SM for KS2
- Approximately half of the YR intake each year come from the on-site pre-school (St Mark's)
- Pupils enter the school into EYFS broadly in line with national expected of their age
- GLoD is 79% of pupils achieved a good level of development at the end of 2018-19 – 7pp above national (72%) GLOD 2021 –53%
- FSM is 7.7% which is well below national (17.3% - which is a rise from 15.4% 2019)
- Ever6 FSM have risen year on year from 2017 but ~7.7% still remains well below national ~23% (tbc)
- Minority Ethnic Origins are 19.5% which is also significantly below the national figure of ~33% (tbc)
- EAL – i.e. home language other than English is 10.6%, which is slightly below the national figure of 21.3% (primary)
- SEN is 22.8% (n=56) is significantly higher than national (14.3%) compared to 77.2% (non-SEN) (n=190) SEND now closer to 25% 2021
- SEN Support is 22% (n=54) which well above national (12.1%) and is rising (7.2% in 2017 and 18.8% in 2019)
- EHCPs is 0.8% (n=2), which is well below national (2.2%)
- In September 2020 the school began the next stage of its journey as a Primary Learning Collaboration (PLC). The PLC undertook its second year working with one Headteacher, one Senior Management Team and one Local Governing Committee this year and have now begun to recognise the strategic and organisational benefits of this work
- A restructure was carried out in the Summer term to prepare for a move to a Head of school model at both St Mark's and Wyndham Park, whilst maintaining a single LGC and the principles behind the PLC.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Wyndham Park Infants School continued

- As part of the work to ensure more cross-phase working three members of teaching staff have been working across both Wyndham Park and St Mark's. This has created opportunities to share expertise and experience.
- As part of alignment both schools now have the same approach to handwriting, spellings and maths teaching as well as common approaches to teaching and learning and assessment. This has been further built on by the planned organisational changes that have been developed this year ready for September 2021.
- The EYFS Leader has helped bring clarity to the year group about expectations. There has been an improvement in the learning environments across EYFS and children have access to a range of exciting, engaging and stimulating activities that regularly change. The EYFS leader will be the head of teaching and learning development for the school from September 2021.
- WP is a founder member of the South Wiltshire Hub – this group of thirteen schools working as a local alliance of CP schools for the last year sharing and supporting the development of provision and practice. The hub has been led by the CEO/EP and has been managed by the HT.
- WP has developed and enhanced its forest school provision across all year groups which is now fully integrated into the curriculum and provides a significant and enhanced opportunity for personal, emotional, and social development as well as language and engagement of students. This provision has been a key part of the COVID recovery undertaken by the school.
- Significant levels of work have been undertaken through the COVID period to develop and enhance home-school working and the school's virtual offer – which has included the development of tapestry across the school – which is a learning tool that enables sharing of learning, recording and interchange between home and school.
- External safeguarding audit (in addition to the annual internal audit) identified practice the school to be effective.
- The school has developed a new structure for 2021-22 to ensure higher investment and focus on the development of curriculum and T&L with new roles to support this.

St. Mark's C of E Junior School

- SM is a larger-than-average urban junior (primary) academy for children aged 7-11 with a PAN of 360
- Numbers on roll have been stable for more than four years - currently 368
- Location deprivation indicator was in quintile 1 (i.e., least deprived) of all schools
- Attendance remained high during the last year, including the lockdown. Average 94.9% for the year
- Attendance of children during the last lockdown was ~45% of the school population (highest in the county for KS2)
- SM has 362 pupils (Q2) on roll (191 boys and 171 girls) spread across twelve classes (three form entry)
- Average KS2 class size is 30.2 which is above national (27.9)
- Free School Meals (FSM n=39) is at 10.8% is well below national (17.3% - which is a rise from 15.4% 2019)
- SEND is 17.1% (n=62 children) compared with 82.9% non-SEND (n=300)
- EHCPs of SEND is 2.2% (n=8) which is in line with national (2.2%)
- SEND Support is 14.9% (n=54) which is higher than national (12.1% - a rise from 11.9% in 2019)
- English is the first language for 93% of pupils (n=337)
- EAL is 7% (n=25) which is significantly below national (21.3% in primary)
- Stability remains high (top quintile) 96% (three-year average) which is higher than national (86% three-year average)
- In September 2020, the school began the next stage of its journey as a Primary Learning Collaboration (PLC). The PLC undertook its second year working with one Headteacher, one Senior Management Team and one Local Governing Committee this year and have now begun to recognise the strategic and organisational benefits of this work.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

- A restructure was carried out in the summer term to prepare for a move to a Head of school model at both St Mark's and Wyndham Park, whilst maintaining a single LGC and the principles behind the PLC.
- As part of the work to ensure more cross-phase working three members of teaching staff have been working across both Wyndham Park and St Mark's. This has created opportunities to share expertise and experience.
- As part of alignment both schools now have the same approach to handwriting, spellings and maths teaching as well as common approaches to teaching and learning and assessment. This has been further built on by the planned organisational changes that have been developed this year ready for September 2021.
- SM is a founder member of the South Wiltshire Hub – this group of thirteen schools working as a local alliance of CP schools for the last year sharing and supporting the development of provision and practice. The hub has been led by the CEO/EP and has been managed by the HT.
- Significant levels of work have been undertaken through the COVID period to develop and enhance home-school working and the school's virtual offer – which has included the development of Google classroom which has enabled virtual learning and lessons to take place.
- Covid-19 has stopped KS2 tests for 2021 (for the second year in a row) – internal tracking confirms results would have been strong for a fourth successive year.
- St Mark's is working with the local authority to gain Dyslexia Friendly status. Which we expect to be in place for 2021-22.
- External safeguarding audit (in addition to the annual internal audit) identified practice the school to be effective.
- The school has developed a new structure for 2021-22 to ensure higher investment and focus on the development of curriculum and T&L with new roles to support this.

Exeter House Special School

- Exeter House is a Special School with an admission number of 152, but currently 160 on roll. This number was increased in September 2020 from 142, having already been increased for the previous three years (2017-18: 121; 2018-19: 133; 2019-20: 142). This has been done to accommodate the significant increased need in the South Wiltshire area and is a 40-pupil growth since July 2017.
- All students at Exeter House have a range of complex needs, including ASD, PMLD and SLD (which are often accompanied by additional medical needs). The complexity of need at the school has increased notably in recent years and has necessitated increased specialist training and development/ change of the leadership model at the school. This can be identified by almost 70% of students being within the top two banding levels for complexity when historically this has been between 42 and 48%. This is particularly notable in relation to students with a primary designation of ASD in addition to SLD and other comorbid issues, which has gone up by approximately 20% in the last three years.
- Students travel from the Wiltshire, Hampshire, and Dorset areas to attend the school. Attendance is average for the character and type of school, with very little unauthorized absence. The number of students eligible for pupil premium funding is 33% in primary and 27% in secondary (approx. 31% overall). The number of students from service families is high at 22%. The school has a small number of students with EAL, although this number has been increasing over recent years with many of these students also being part of our Service families' community.
- In addition to a team of highly qualified Teachers and Teaching Assistants, a team of external specialist therapists provide support for the most complex needs. We have close working relationships with a range of professionals which include Physios, OTs, Sensory Integration Practitioners, Speech Therapist, Music Therapist, Clinical Psychologists, the Mental Health Support Team and other health care professionals, a counselling service, Salisbury Playhouse Youth Theatre and La Folia music charity. The school employs their own additional full time OT to enable us to proactively meet the changing, complex, and diverse needs of the population, this is our second year of undertaking this approach.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The last three years has seen significant change and development – but change and development that has provided increased opportunities and achievement for all our students and increased external recognition for what we do.

During the year at Exeter House

- The school continues to be identified as a centre of excellence in SEN for South Wiltshire by the local authority and is part of the wider system of excellence development work.
- Exeter House is an Autism Education Trust (AET) hub for Wiltshire for early years to Post -16 provision and has worked with a range of provisions and providers over the course of the year.
- The school has led the development of a Challenge Partner Hub (South Wiltshire) this year, where the Executive Headteacher is senior Partner. The Hub has offered leadership development and peer review which will help ensure schools can learn from each other, support and share excellent practice. Through this work the hub has now grown from 4 members to 13, spanning primary, secondary, and special over the last three years.
- The school maintains its specialist leaders and has leaders across the school involved in a range of projects and processes in the wider community and LA.
- The school has continued to develop its internal induction and training to ensure the sustained high-quality skills, knowledge and understanding for its staff.
- Parental support through training, development, workshops, drop - ins and individual work has again developed this year with further investment into the pastoral work of the school. This work again has been significant, with positive impact and outcomes notable. The parental training workshops that were further enhanced this year, also have received positive feedback and have this year included parents who have pupils with SEN at other schools and settings.
- Outstanding arts and drama work took place with partners at Salisbury Playhouse Youth Theatre and La again this year.
- Through the Pandemic closure of schools Exeter House sustained high quality provision both in and out of school for the young people and families. The quality of this work was recognised by the local authority as a leading example. This included the development of both bespoke responses and digital offerings including the enhancement a development of Evidence for learning which is a learning tool that enables sharing of learning, recording and interchange between home and school.
- External safeguarding audit (in addition to the annual internal audit) identified practice the school to be effective.

Key Performance Indicators

As identified above statutory assessments for primary age pupils were cancelled this year and the disruption of the usual education provision makes comparisons difficult to create. However internal measures projected improved outcomes to have been sustained and to have been in-line or better with what had previously been achieved. This evaluation can be identified within the specialist provision also where expected outcomes were sustained and opportunities for provision beyond the school were enhanced.

Going concern

After making appropriate enquiries, the SRET Board have a reasonable expectation that SRET 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.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

In the period covered by this report the Trustees report an in-year revenue surplus of £212,231 (2020: deficit £36,256) This is calculated by removing the fixed asset fund and local government pension scheme costs and movement. See the calculation below:

2020/21 Deficit for year	(1,389,552)
Adjustments for	
Remove Capital Grant Income	(283,656)
Add back FRS 102 Pension Costs	458,000
Add back FRS 102 Actuarial Losses	1,143,000
Add back depreciation	412,479
Contributions from revenue to capital	<u>(128,040)</u>
Revenue Surplus	<u>212,231</u>

The in -year surplus of £212,231 was as a result of savings in supply costs, unspent ringfenced funding received that will be spent in 2021/22 and additional funding negotiated for pupils. Due to the impending impact of the Special school funding reduction in real terms and only having an increase of circa £11,000 overall, the Trust Board made a decision to c/f as much revenue funding as possible by not completing capital projects or overall infrastructure improvements to ensure that reserves were built up in preparation of need in the financial year 21/22. This highlights the difficulty that special schools face and the inappropriate decision that was taking by Schools Forum re funding allocations at LA Level. It is also important to note that the capital budget for specialist equipment of £5,133 allocated by the LA has also been removed for the year 21/22.

The majority of the Trust's income is obtained from the Education Schools Funding Agency (ESFA) in the form of General Annual Grant (GAG), the use of which is restricted to a particular purpose which in our case, is the purpose of the Trust.

Additional funding is received from Local Authorities for provision to high needs students. The grants received from the ESFA and Local Authorities during the period to 31 August 2021 and associated expenditure are shown as restricted funds in the statement of activities.

At the 31 August 2021 the balances in the Trust's revenue funds were:

Restricted:	£367,342
Unrestricted:	£295,918

As of the 31st August 2021 the Trust had a deficit restricted balance of £2,725,000. It recognises a significant pension fund deficit for the Local Government Pension Scheme, and as this is included within the restricted funds the overall position becomes a deficit. However, this does not mean that an immediate liability for this amount crystallises.

All the academies within the Trust have been under financial pressure due to the real terms' reduction in education funding seen in recent years. In the past we have needed to draw from our reserves to fund excess expenditure. In addition, during the year, we have implemented structural changes at all our schools and with the support of Wiltshire County Council agreed a more appropriate approach to funding special needs education. Accordingly, we have been able to establish budget projections for the medium term, which show year end surpluses at each academy and financial sustainability for the Trust. However, the Trust has been left with no choice than to use revenue funding to fund capital spend to ensure that the infrastructure of its buildings are safe, fit for purpose and provide appropriate structures to underpin the teaching and learning function of the schools. This spend should be seen as a Trust that is committed to providing the very best education to all its pupil community despite cuts in educational spending regarding capital improvement funding and its revenue pot.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Exeter House

This year the finances at Exeter House Special School have again been under pressure, due to the national problem of SEND funding, but we have continued to evolve and to change the way we do business to improve the academy funding and increase the number of students on role via our Resource Base provision which will open in September 2021, with an additional 20 spaces, 10 at each mainstream location.

- The academy operates at both Exeter House and the Vocational Centre in Salisbury City centre. Our students aged 14+ now work and study at the Vocational Centre, freeing-up space and enabling growth in pupil numbers at Exeter House. The transporting of our students between these premises is expensive and we have secured a most welcome contribution from the Local Authority to defray these costs.
- This year again a number of our new pupil intake arrived with an assessed disability banding which was in our opinion incorrect and understated - this had a significant implication on funding. Many man days were invested in preparing appeals, which in the main were successful. Even then the additional funding was not back dated to the start of the academic year, when the students joined us, but to the date of the successful appeal. In future we have agreed to accept all pupils at an assumed banding of three and undertake a meaningful review within the first three months of student entry to Exeter House with the local authority.
- Before we are able to assume any additional responsibilities as the Centre of Excellence for SEN in South Wiltshire, we will need to understand and agree the additional expectations being placed on us and the funding that will enable us to take on and successfully deliver these challenges.

St Marks and Wyndham Park

- With the now much improved results for phonics, EYFS and KS2, coupled with our budgets and financial forecasts demonstrating financial sustainability in the medium term, the board agreed that some of the reserves could be applied to improve our premises estate.
- The bringing together of both schools, as one Learning Campus, and one senior and middle management team, will bring both further benefits in education outcomes and financial sustainability. However, it is recognised in the setting of budgets for 2021 and beyond that more work is still to be completed on financial sustainability.
- The number of new students in the September 2020 intake for both schools remain at very close to 100% of our capacity.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Capital works: Condition Improvement Fund (CIF)

The trustees agreed to fund £128k from revenue reserves to capital to fund much needed property improvements including Health and safety compliance.

Funding major capital expenditure from the annual school income budget is not a realistic or sustainable option. However, as access to capital funding has not been achieved this year through submitting bids for specific project funding from the Condition Improvement Fund (CIF).

- This year we had submitted two CIF bids to help improve, expand and upgrade our premises: details are included in the table below. The Trustees had agreed that funds could be drawn from reserves to meet our required contribution to these projects. Due to the critical nature of the Exeter House Expansion (overcrowding) bid the Local Authority had agreed to make a capital contribution of £120,000.
- The Exeter House Bid Expansion (Overcrowding) went to Appeal as the CIF Bid Review Board did not understand the need basis of this bid and this was reflected in the score. Further clarification has been sent as Exeter House is a special school and we are of the opinion that this was not considered when awarding the need score. Again, this bid was put forward with significant amendments to the need – however it was unsuccessful again due to a non-understanding of the Assessment Panel of the CIF Board re SEND/Need.
- The fire door replacement bid was successful and this work will be completed in February 2022.
- C/F surplus will provide some much-needed upgrading at both schools with regard to infrastructure and H&S compliance – Smartboard project, re-carpeting, building upgrades

Exeter House School		Exeter House & Vocational Centre	
Expansion (overcrowding)		Fire Door Replacement	
Cost	£841,839	Cost:	£99,167
Requested:	£707,839	Request:	£89,247
LA Contribution	£120,000	Academy Contribution:	£9,920
Academy Contribution	£13,500		

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Capital works: outside the CIF funding program

The Trustees had determined that various work across the site needed to be completed to enhance the Teaching & learning provision across the site. This included a variety of H&S related jobs to ensure compliance with regard to H&S.

Summer Building Work

A large amount of work has taken place across the schools over the summer period which has included:

- Upgrading of the WIFI infrastructure across the PLC & laptop onboarding onto system to aid with teaching and learning. Trouble shooting IT problems across the PLC network
- Creation & complete refurbishment of Moles Classroom including replacement wooden walkway access, replacement carpets, Smartboard, repaint, replacement sink
- Addition of sink and cupboard space with lino flooring in St Mark's classroom
- Complete Refurbishment of WP Loo's for boys & girls in Reception area - WP
- Replacement of picket fencing outside Moles Classroom creating more play space and incorporating the new classroom into the school outdoor area
- New Outer security fencing at WP, new gate, and additional internal gateway through to St Mark's school, creating a fobbed and intercom system at Entrance
- Upgrading of fobbing system to accommodate work required
- Creation of two Resource base classrooms at WP & STM – including linkway from St Mark's to Exeter House via the Resource Base entrance with additional metal keypad gate
- Complete Refurbishment of boy's loos at EH Vocational Centre, including replacement steel beam
- Replacement of floor in girl's loos at EH Vocational Centre
- 5-piece outdoor gym installed at EH Vocational Centre (Thank you to Imperial Charity for your donation of £1,300 towards this)
- Repainting of Penguins Class (EH) & soft play exterior wall
- Ongoing Investigative work into drainage problems across the Site, all gutters cleaned out and maintenance issues are beginning to be rectified
- Surplus fire doors have been removed at WP and this will follow at Exeter House - authorised by Fire Risk Assessor
- New Finger traps and additional safety features re door furniture carried out at WP & St Mark's
- New blinds which have replaced the curtains in the large hall at EH

Further work will carry through into the 2021/2022 year regarding improving infrastructure and ensuring that all schools within the Trust have updated technology to assist with learning. To this end C/f figures reflect this as each of the schools within the Trust as the overall Estate requires ongoing investment and enhancement.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Reserves policy

During the year, the SRET Board has reviewed its previously agreed reserve policy. The policy has been changed to reflect the Trust strategic coherence and forecast financial sustainability. Accordingly, we have set our self the target of achieving a Prudential Financial margin to enable the academies to weather business disruption. These reserves will not be designated for specific projects but will enable the Trust to better deal with changes and uncertainties in the current educational environment. At the end of the period, the Trustees agreed to c/f some of the in year credit balances to enable the Trust to improve IT and infrastructure moving forward. This also takes into account the Schools Forum decision on special school allocation which has previously been discussed.

The balances are as follows:

Exeter House School £306,276 equivalent to 10% of annual payroll costs

St Marks C.E. School £185,988 equivalent to 14% of annual payroll costs

Wyndham Park School £168,482 equivalent to 15% of annual payroll costs

SRET £2,514 equivalent to 1% of annual payroll costs

Investment policy

The Trust's investment policy is one of minimal risk, accordingly if funds are available these may only be placed on short-term deposit at the most favourable rate available from providers who are covered by the Financial Services Compensation Scheme. The board have delegated this responsibility to the CEO/ Executive Principal.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

To deliver a strong risk management framework we have sought to develop:

- An effective Member Panel.
- A strong and diverse board with Trustees who have the time and skill to commit to their roles.
- Effective delegation to board sub - committees, all with appropriate terms of reference.
- A board agreed risk appetite.
- Risk management standards, particularly the identification and evaluation of risk.

The risks to the Trust are regularly monitored and fall into four main categories:

- Strategic and reputational risk.
- Operational risk.
- Compliance risk.
- Financial risk.

The key risks have been determined as:

Insufficient numbers on student roll – the risk that the various academies fail to recruit sufficient students or that numbers decline. Our pupil intake in September 2019 was at or near our maximum for all our schools.

Measures in place to mitigate this risk

- Robust school improvement strategies in place.
- Recent results in phonics and EYFS, KS2 and outcomes at Exeter House demonstrate successful school improvement.
- Accessible school personnel to prospective parents, open days, newsletters etc.

Legal risk – risk that legislation requirements are not known or not complied with including GDPR (General Data Protection Regulations).

Measures in place to mitigate this risk

- The Trust accesses the legal knowledge of a respected legal firm where a retainer is in place.
- Scrutiny of circular letters from central government and national educational associations who publish, comment and will provide support or guidance in these areas.
- Training is undertaken as appropriate on new legislation.
- Ongoing review and update of policies and procedures to ensure they remain within the law.

Recruitment risk – not being able to recruit appropriate candidates, or recruiting unsuitable employees to work with children.

Measures in place to mitigate this risk

- Recruitment and selection policy and procedures in place.
- All interview panels include at least one member with up-to-date safer recruitment training.
- Advice and support from the Trust's centralised HR team on all recruitment issues.
- A commitment to staff development including continuing professional development.
- All staff have enhanced DBS certification.
- Active governing body membership.

Information Technology – ensure that the technology is strong robust secure and fit for purpose.

Measures in place to mitigate this risk

- We have established a variety of appropriate policies, employ IT specific personnel who are supported by a contract with an external support company.
- The Trust's IT provision has been centralised to deliver standards and practices across the Trust that are more than ever expected in this digital age.
- The Trust has moved MIS (Management Information Systems) Systems from Capita Sims. Personnel to Arbor and in the forthcoming year will examine its finance system
- The Trust has invested in a SharePoint Project across the schools and this is now fully implemented to mitigate risk by becoming cloud based.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial risk – impacts of the National Funding Formula and pressures on salary cost.

Measures in place to mitigate this risk

- A clear strategic plan and objectives, annual budget and medium-term financial forecasting for all academies and the Trust.
- School financial reports – close monitoring of income and expenditure against budget, bank reconciliations and prudent reserves are in place. Leadership team and governing bodies all fully aware of current circumstances.
- Our costs, like most schools, are dominated by the cost of employment. Where appropriate we review leadership structures and our teaching and teaching assistant complement.
- We have agreed a fixed sum repayment schedule to fund our deficit in The Local Government Pension Scheme.

Fundraising

The board is responsible for ensuring that the organisation operates within a responsible, sustainable financial framework and that the organisation has adequate resources to carry out its work.

- Trustees have the responsibility of ensuring the survival and continuation of the Trust. This includes responsibility for ensuring funding is available to support the activities of the organisation.
- While Trustees may delegate many of the operations of fundraising to other parts of the organisation, the board retains the responsibility for ensuring fundraising is undertaken appropriately.
- The board are committed to ensuring that fundraising activities are carried out in an ethical manner: and
- The guiding fundraising principle is a simple one – we will only use techniques that we would be happy to be used on ourselves.

In doing so, the organisation will adhere to the following standards:

- The board will have regard to the Charity Commissions publication. "Charity Fundraising"
- Fundraising activities carried out by individual academies, including their PTA (Parents and Staff Association) will comply with all relevant laws
- Any communications to the public made while carrying out a fundraising activity shall be truthful and non-deceptive
- All monies raised from fundraising activities will be for the stated purpose of the appeal and will comply with the stated mission and purpose.
- All personal information collected by the Trust is confidential and is not for sale or to be given away or disclosed to any third party without consent.
- Nobody directly or indirectly employed by or volunteering for the Trust shall accept commissions, bonuses, or payment for fundraising activities on behalf of the organisation:
- No general solicitations shall be undertaken by telephone or door to door:
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of the Academy.
- The Trust does not work with any third-party commercial participators or professional fundraisers to raise funds.
- There have been no fundraising complaints in 2020/21.
- Financial contributions will only be accepted from companies, organisations and individuals the Board considers ethical:
- All Trustees, Governors, casual, permanent and contract staff and volunteers are responsible for adhering to these procedures:
- Fundraising activities should not be undertaken if they will expose the organisation to significant financial risk: and
- Complaints will be dealt with in accordance with the Trust's complaints procedure.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Some fund raising has occurred throughout the year, however this has unfortunately been curtailed due to the Covid situation.

- Exeter House had some amazing donations amounting to circa £29,000. This included amounts of £2,500 raised by our Clerk and £2,160 raised by two amazing parents. All donations received are used to enhance the curriculum and to bring some additional enjoyment and fun into the lives of our pupils. A donation of £25,000 was received in the budget year of 2019/2020 however will be spent in the year of 2020/21 as per the donor's request. To this end an additional vehicle was purchased for the Vocational Centre, and a member of staff is currently studying a masters in communication. A donation of £14,800 was received from HSBC for Eye gaze technology and an amount of £1,315 was received from Imperial Charity to help with the purchase of the outdoor gym at the Vocational Centre. The parental donations will be used in 21/22 to enhance the inner courtyard of the school and the £2,500 will be used to purchase curriculum additions for the PMLS classes. Staff raised funds circa £2,000 to raise funds for two defibrillators located at each of the sites by completing a skydive. Thank you to all.

Friends of St Mark's (PTA) raised £4,749 and Wyndham Parents and Staff Association (PTA) spent £4,165 which was used for classroom resources. These funding sources are greatly appreciated and show how dedicated our parents and carers are.

Plans for future periods

Our plans are subject to regular board reviews and a formal annual review. We have and will continue to rigorously review our performance against agreed KPIs, measures and outcomes.

We have a demonstrable track record in delivering for our pupils and have been recognised for our ability to deliver school improvements and become a centre of excellence for special needs education.

Going forward our plan is to further develop and demonstrate these capabilities and continue to share our knowledge with local schools and MATs, so they may share and benefit from what we do. The two new additional Resource Bases will add to this Vision and are iconic in their nature due to their location. We are a relatively small Trust of three schools with less than a thousand pupils. The Trustees have determined that growth in pupil numbers either organically, by acquisition or partnering with other schools, with similar values and beliefs, provides opportunities for future efficiencies. This in turn should enable more of the Trust's funding to be spent directly on pupils. Whilst growth should lead to more efficient methods of working, we are determined to protect our existing students from any negative impacts of such growth as well as any new students joining the MAT. The Resource Base concept has continued to strengthen our community bond and enhance our inclusion.

Staff moving between schools, sharing continuous professional development are clear advantages of MATs. However, many of the benefits of being in a MAT are realised through a close geographical focus with a schools-led collaborative model, with all in the group drawing on each other's strengths and addressing weaknesses together. Accordingly, the number of schools in a trust should decreasingly be seen as a mark of success. MATs should instead focus on sustainability and ensuring they maintain financial sustainability and school improvement capacity to support their pupils.

Opportunities for organic growth are limited and whilst there appears to be opportunities to pursue growth by merger or acquisition or developing partnerships, our work has not yet delivered a positive outcome.

Funds held as custodian trustee on behalf of others

No funds are held as custodian trustee on behalf of others.

SOMERSET ROAD EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Auditor

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 15 December 2021 and signed on its behalf by:



T Branch
Chair of Trustees

SOMERSET ROAD EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The board has delegated the day-to-day responsibility to the Chief Executive Officer/ Executive Principal 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 SRET and the Secretary of State for Education. They are also responsible for reporting to the board any material weaknesses or breakdowns in internal control.

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

SOMERSET ROAD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Governance

Members have an overview of the governance arrangements of the Trust, they can amend the articles and may do so to support stronger governance arrangements. The role of a Member is to keep an oversight of the Trust board but not to be involved in the day to day management of the Trust.

The membership have formally met twice this year, where attendance has been as follows:

Member	Meetings attended	Out of possible
T Branch (Member and Trustee)	2	2
C Clifford (resigned 9 December 2020)	1	2
D Goldsmith	2	2
A Mayhew (Representative of the Corporate Member)	2	2
D Melville	2	2
M Podkolinski	0	0

The board's purpose is to:

- Ensure the Trust complies with charity and company law, its Articles of Association, all other applicable legislation, and DfE and ESFA requirements relating to the Trust and its academies.
- Ensure proper use of public funds and compliance with the various funding agreements.
- Ensure the Trust is solvent, well run, and meets the needs of pupils and staff in its academies.
- Ensure the Trust acts in accordance with its constitution and powers, promote the success of the Trust, and exercise sound judgement and diligence in all its affairs.
- Ensure that all Trustees are skilled in understanding, interpreting, and comparing school/ academy performance data and are kept fully apprised of the performance of each academy at all times.
- Ensure that all Trustees have the skills, knowledge, and information to assess the Trust's financial performance.
- Ensure the EP/CEO and all senior staff have the skills, knowledge, and experience to run the Trust and its individual academies and to effectively manage its financial, human, and physical resources and assets.

The Board of Trustees have formally met six times during the year including one extraordinary meeting, where attendance was as follows:

Trustees	Meetings attended	Out of possible
T Branch (Chair of Trustees)	6	6
M Sambrook (CEO/Executive Principal & Accounting Officer)	6	6
L Steer (Resigned 23 March 2021)	4	4
R McClatchey (Chair of Resources Committee & Chair of Audit Committee)	5	6
J Baylis	6	6
O Bourne	5	6
D McKay (Leave of absence due to professional commitments)	0	0
D Bray (Appointed 23 September 2020)	6	6
P Daniel (Appointed 27 January 2021)	2	4

SOMERSET ROAD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

At the start of this year with the Trust being in a stable and strong situation, The Board was able to consider the future for the Trust. The consideration included exploring possibilities of merging with another trust. This exercise gave opportunity to look at the trust and The Board concluded that SRET has a specific voice that is important in the current local education discourse and it is a perspective that is different from other trusts in our area.

The main changes for this year include:

L Steer – Resigned 24.3.21

P Daniel – Appointed 27.1.21

In compliance with the COVID-19 guideline requirements Board meeting continued some of which were held virtually using Video Communications over internet connections.

During the year The Board has ensured SRET is compliant in having all required policies and that all policies are compliant.

The Resources Committee is a sub-committee of the main board of Trustees which has met four times this year. Its purpose is to:

- Support the board in monitoring and reporting the use of resources including finance
- To deliver the requirements placed on the Trust by the government as detailed in The Financial Handbook written by the ESFA.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
T Branch (Chair of Trustees)	4	4
M Sambrook (CEO/Executive Principal & Accounting Officer)	4	4
L Steer (Resigned 23 March 2021)	2	4
R McClatchey (Chair of Resources Committee & Chair of Audit Committee)	4	4
D Bray (Appointed 23 September 2020)	4	4

SOMERSET ROAD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Standards Committee

This is a board sub-committee which has met three times this year. Its purpose is to:

- Ensure that the standards and pupil outcomes across the Trust continue to improve.
- Ensure a strategy is in place for continued improvement of standards at all academies, with a view to each academy achieving and sustaining outstanding performance.

The committee will focus on improving standards and pupil outcomes in three main areas:

- Performance in national tests for specific key stages and other nationally published data (for example SATs, Phonics, EYFS data etc.)
- Performance against pre-determined KPI's are monitored regularly for each academy. This includes the quality of teaching and learning and how this is leading to improved outcomes and the achievement of specific milestones for reading, writing and maths.
- Performance of vulnerable groups, specifically pupils eligible for pupil premium funding and those with special educational needs

As a result of the Trust led working party created in 2020 to review the role and development of this group with wider stakeholders we now have a new format in place which helps us to understand Standards as whole across the Trust and which enables us to hold Trust Senior leaders to account for standards whilst further developing the role of LGC with regard to challenging and scrutinising information.

Attendance in the meetings during the year was as follows:

Trustee	Meetings attended	Out of possible
J Baylis	3	3
O Bourne (Chair)	3	3
M Sambrook	3	3
In attendance		
Tim Milne		
Alison Murley & Gareth Flemington		
Clerk		

Audit Committee – We note that the chair should not be the same person for finance Committee however prefer to keep this part of the Resources Committee separate due to its importance

This is SRET Committee. Its purpose is to support the Board:

- To fulfil its corporate governance and oversight responsibilities in relation to financial reporting, internal control system, risk management system and internal and external audit functions.
- To fulfil its legal, social, and corporate responsibilities in the provision of schooling in a safe environment.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
T Branch (Chair of Trustees)	3	3
R McClatchey (Chair of Resources Committee & Chair of Audit Committee)	3	3
D Bray (Appointed 23 September 2020)	3	3

SOMERSET ROAD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Local Governing Committees (LGCs)

This year the Trust change the number of LGCs from one per academy to one with responsibility for Primary and one with responsibility for Specialist provision. The aim of this was to increase strategic oversight by the LGCs and ensure that the wider aims and remit of the Trust were taken account of within the structure. Each LGC meets six times a year. These are sub-committees of the Trust board. Their remit is as follows:

- Reporting to the board, they work together in providing a focused governance for academies at a local level, ensuring the delivery of the boards wish to ensure that the responsibility to govern the academies is vested in those closest to the impact of decision-making.
- The LGCs monitors the academies' key performance indicators and acts as a critical friend to the Headteacher and the senior leadership teams.
- The LGCs carry out their functions in relation to their respective academy on behalf of the board.

SOMERSET ROAD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Review of value for money

As Accounting Officer, the Executive Principal has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the education and wider community outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust uses of its resources has provided good value for money during each academic year, and reports to the Trust board where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Driving Trust wide benefits and improvements in educational outcomes
- Commencing the centralisation of services provided across the trust
- Delivering a strategic plan for the Trust that creates a self-sustaining school system that ensures financial sustainability

The Trust strategy plans for the achievement of the best possible education and wider community outcomes through the economic, efficient and effective use of all Trust resources.

Our plans include the centralisation of Trust processes, seeking to build it once at the centre, to help deliver future sustainability and support the growth of the Trust. Centralisation will help facilitate growth of significant relationships within the schools, bringing increased opportunities for our staff, students, and the wider community. Whilst it is recognised that financial savings may be minimal the Trust will become more effective and efficiency will improve.

- In September 2018, the Trust centralised the HR Function, this has developed further over 2019-20 and is now well established in 2021.
- During this year, the centralisation of the business/administration function and the core elements within that function, including finance and IT have developed and these are fully established. The work already undertaken has enabled increase strength in systems around compliance and efficiency.
- Where appropriate major supplier contracts continue to be negotiated for the four sites and the same contractors are used where feasible.
- Further areas for centralisation of services will continue to be reviewed and assessed.

The Trust has developed its approach to create income through outreach and training programs. The Trust has continued to generate some financial benefit from these programs this year, which have been supported by the adapted systems and structures. Through this work the profile of the Trust has also been raised and we have demonstrated we are an outwardly facing Trust, not only happy to share our expertise and help improve outcomes at other schools but also very capable of doing so.

COVID-19 has impacted on the financial performance of the trust as schools have remained open during Covid 19. Any extra COVID-19 funding received has been deployed. This has had a positive impact on teaching and learning outcomes for individual pupils and allowed for additional pastoral care and curriculum enrichment. The Trust received in 2020.21; COVID catch-up of £85,120, FSM voucher funding (from LA £21,125 and ESFA £3,235) which enabled a rapid response of vouchers being allocated to parents electronically. Mass Testing £17,600 encouraged LFT and an excellent system was put in place for staff. Funding also included the Contain the virus grant from the LA of £4,513 and the Digital platform funding of £14,000. All pupils had access to home learning and each pupil that required IT devices had open access to it promptly due to the rapid deployment of this funding.

SOMERSET ROAD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve our vision, goals 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 the Trust vision, goals 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 at SRET for the period from 1st September 2021-2022. They have continued in place, up to the date of that this annual report and financial statements were approved.

Capacity to handle risk

The SRET Board 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 these risks.

The SRET Board is of the view that there is a formal on-going process for identifying, evaluating, and managing the Trust's significant risks that has been in place for the period 1st September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the SRET Board.

The risk and control framework

The Trusts 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.

It includes:

- Comprehensive 3-year plan, budgets, and monitoring systems.
- Monthly financial reports reviewed and agreed by the board.
- Regular reviews by the Resource Committee including reports on financial performance against plan, major planned purchases, capital, and expense expenditure.
- Setting targets and measuring performance against plan.
- Regular review of internal controls summarised in the Trusts Financial Handbook
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

The board keeps the need for a specific internal audit function under review. During the year we moved from the Local Authority, Wiltshire Council as internal auditor; to Bath & South East Somerset but where appropriate we contract with other trusted third-party organisations.

SOMERSET ROAD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

- Testing of payroll & personnel systems & SCR (Single Central Record)

The internal auditor has delivered their schedule of work as planned. Work had been completed and will continue regarding the centralisation of IT across the Trust. It is anticipated that this will remove aspects of external support and bring them in house to mitigate risk and increase effectiveness and efficiency in this area during 20/21. The Trust Risk Register is a key document for the Trust.

Despite Covid 19 the Trust was able to facilitate and undergo a rigours timetable of internal scrutiny this year. It branched into other areas and are as listed below:

- GDPR Audit – One West (Bath & North East Somerset Council)
- Challenge Partners
- Safeguarding Audit
- H&S Audit (Wills Limited – RPA (Risk Protection Arrangement))
- SEND Review of St Mark's & Wyndham Park

There has been a budgetary impact across the Trust regarding Covid 19, however all schools across the Trust have worked hard engaging with all Stakeholders to ensure a continuity of education and pastoral care. This has evolved our community spirit and all the schools work much more closely together as a result.

The cost has not only been financial as the Trust has had to work in a way that is highly mindful of Business Continuity whilst retaining its strategic intention. This has been costly in time, effort and well –being for many staff but most specifically the more senior staff. It has resulted in staff working extra hours on a continuing basis through traditional holiday periods and a significant increase to working hours during the working week to ensure the operational running of the schools. Whilst this has been managed well, shouldering continued crisis management, business continuity planning, operational running and maintaining a strategic direction at the same time can be arduous and systems have had to be put in place to ensure a stronger foundation for this and to enable sustainability at this working level.

The pastoral and safeguarding teams has been increased to cope with increased need and to create a more proactive approach to ensure that all stakeholders within our community are catered for. This has, again had the biggest impact on Exeter House, where 70% of the population fall into the most vulnerable students group requiring on-going multi-agency and pastoral support interventions both at home and school to avoid both family and placement breakdown. The HR function's workload has also increased significantly and this has resulted in an increase in our staffing costs due to expansion of the role. The financial cost of both roles will be negated by the work completed by both these sections within their specialities' as sustained well-being is crucial.

No high-level risks were identified by the internal auditors.

Review of effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework

SOMERSET ROAD EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place. The Trust will seek to look to other avenues to provide internal audit to ensure that the Trust benefits from the most rigorous approach.

Approved by order of the board of Trustees on 15 December 2021 and signed on its behalf by:



T Branch
Chair of Trustees



M Sambrook
CEO/Executive Principal & Accounting Officer

SOMERSET ROAD EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

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

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

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



M Sambrook
Accounting Officer

15 December 2021

SOMERSET ROAD EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees (who are also the directors of Somerset Road Education Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 accounts for each financial year. Under company law, the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of Trustees on 15 December 2021 and signed on its behalf by:



T Branch
Chair of Trustees

SOMERSET ROAD EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOMERSET ROAD EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Somerset Road Education Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the multi-academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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 multi-academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and directors' report) the governance statement and the statement of regularity, propriety and compliance. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

SOMERSET ROAD EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOMERSET ROAD EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- the Information given in the Trustees' report including the incorporated strategic report and directors' report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report including the incorporated strategic report and directors' report have 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 multi-academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report and directors' report, including the incorporated strategic report.

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

SOMERSET ROAD EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOMERSET ROAD EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the accounts due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Academy Trust.

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was identified as a significant risk to the audit, as grant income may not be recognised in accordance with the SORP.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be Academies Accounts Direction, the Charity SORP, Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council and UK Taxation legislation. We considered how the academy trust complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact of Covid-19 on the operations of the academy trust and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed support received through the Coronavirus support schemes, dovetailed with work undertaken on management override.

SOMERSET ROAD EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOMERSET ROAD EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and appropriate;
- confirmed monthly management accounts were reviewed by the board;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed the disclosures within the accounts to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work, to include comparison with prior periods;
- agreed a sample of documentation to confirm that relevant entries were reflected in the accounting records and allocated to the correct period and
- reviewed minutes of trustees' meetings and confirmed income sources mentioned were included correctly within the accounts.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an 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 academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Esme Shakeshaft (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

Chartered Accountants
Statutory Auditor

17th Dec 2021

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

SOMERSET ROAD EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 7 November 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Somerset Road Education Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Somerset Road Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Somerset Road Education Trust's funding agreement with the Secretary of State for Education dated 20 August 2021 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- consideration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance;
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the accounting officer and governing body;
- tests of control have been carried out on a control activity which are relevant to regularity;
- substantive testing of individual transactions.

SOMERSET ROAD EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOMERSET ROAD EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Conclusion

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

Reporting Accountant

Moore (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Dated:

17th Dec 2021

SOMERSET ROAD EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and capital grants	3	37,665	16,446	283,656	337,767
Charitable activities:					
- Funding for educational operations	4	-	6,597,577	-	6,597,577
Other trading activities	5	84,799	81,841	-	166,640
Investments	6	107	-	-	107
Total		122,571	6,695,864	283,656	7,102,091
Expenditure on:					
Charitable activities:					
- Grants	9	-	14,687	-	14,687
- Educational operations	10	101,229	6,820,248	412,479	7,333,956
Total	7	101,229	6,834,935	412,479	7,348,643
Net income/(expenditure)		21,342	(139,071)	(128,823)	(246,552)
Transfers between funds	18	-	(128,040)	128,040	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(1,143,000)	-	(1,143,000)
Net movement in funds		21,342	(1,410,111)	(783)	(1,389,552)
Reconciliation of funds					
Total funds brought forward		274,576	(2,548,547)	14,745,604	12,471,633
Total funds carried forward		295,918	(3,958,658)	14,744,821	11,082,081

SOMERSET ROAD EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2020 £
Income and endowments from:					
Donations and capital grants	3	4,496	24,112	62,575	91,183
Charitable activities:					
- Funding for educational operations	4	-	6,122,896	-	6,122,896
Other trading activities	5	95,552	150,171	-	245,723
Investments	6	412	-	-	412
Total		100,460	6,297,179	62,575	6,460,214
Expenditure on:					
Charitable activities:					
- Grants	9	-	34,163	-	34,163
- Educational operations	10	100,308	6,558,197	387,008	7,045,513
Total	7	100,308	6,592,360	387,008	7,079,676
Net income/(expenditure)		152	(295,181)	(324,433)	(619,462)
Transfers between funds	18	(7,029)	(138,594)	145,623	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(284,000)	-	(284,000)
Net movement in funds		(6,877)	(717,775)	(178,810)	(903,462)
Reconciliation of funds					
Total funds brought forward		281,453	(1,830,772)	14,924,414	13,375,095
Total funds carried forward		274,576	(2,548,547)	14,745,604	12,471,633

30/08/2021

SOMERSET ROAD EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	14	14,575,277	14,693,172
Current assets			
Debtors	15	358,966	206,996
Cash at bank and in hand		1,040,102	880,100
		<u>1,399,068</u>	<u>1,087,096</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(566,264)	(583,635)
Net current assets		<u>832,804</u>	<u>503,461</u>
Net assets excluding pension liability		<u>15,408,081</u>	<u>15,196,633</u>
Defined benefit pension scheme liability	20	(4,326,000)	(2,725,000)
Total net assets		<u>11,082,081</u>	<u>12,471,633</u>
Funds of the multi-academy trust:			
Restricted funds	18		
- Fixed asset funds		14,744,821	14,745,604
- Restricted income funds		367,342	176,453
- Pension reserve		(4,326,000)	(2,725,000)
Total restricted funds		<u>10,786,163</u>	<u>12,197,057</u>
Unrestricted income funds	18	<u>295,918</u>	<u>274,576</u>
Total funds		<u>11,082,081</u>	<u>12,471,633</u>

The accounts on pages 42 to 68 were approved by the Trustees and authorised for issue on 15 December 2021 and are signed on their behalf by:



T Branch
Chair of Trustees

Company Number 09343767

SOMERSET ROAD EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by operating activities	21		170,824		390,856
Cash flows from investing activities					
Dividends, interest and rents from investments		107		412	
Capital grants from DfE Group		125,996		23,306	
Capital funding received from sponsors and others		157,660		39,269	
Purchase of tangible fixed assets		(294,585)		(224,593)	
Net cash used in investing activities			(10,822)		(161,606)
Net increase in cash and cash equivalents in the reporting period			160,002		229,250
Cash and cash equivalents at beginning of the year			880,100		650,850
Cash and cash equivalents at end of the year			1,040,102		880,100

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Somerset Road Education Trust is a charitable company limited by guarantee incorporated in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

1.1 Basis of preparation

The accounts of the multi-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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The accounts are prepared in sterling which is the functional currency and rounded to the nearest £1.

Somerset Road Education Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Sponsorship income

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

Donations

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

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the multi-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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £2,000 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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land and buildings	50 years (Buildings only)
Property improvements	20 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years
Motor vehicles	4 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Financial liabilities

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

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

1.9 Taxation

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

1.10 Pensions benefits

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

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

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

1.11 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the multi-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 and include grants from the Education Funding Agency.

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

Critical areas of judgement

On conversion to an academy trust, the asset and liabilities of the Trust are measured at fair value. This includes any buildings. Further additions of property have also been measured at fair value. The valuation of buildings involves a significant degree of estimation, refer to note 14 for further detail to this estimation.

The value of the donation of occupying Diocese property rent free has also been considered. A notional rental value has not been included as it cannot be reliably measured.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Capital grants	-	283,656	283,656	62,575
Other donations	37,665	16,446	54,111	28,608
	<u>37,665</u>	<u>300,102</u>	<u>337,767</u>	<u>91,183</u>

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the multi-academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE/ESFA grants				
General annual grant (GAG)	-	3,814,312	3,814,312	3,510,125
Other DfE/ESFA grants:				
UFSM	-	111,151	111,151	110,304
Pupil premium	-	154,023	154,023	135,704
Teacher pay	-	28,671	28,671	28,812
Teacher pension	-	81,012	81,012	81,410
PE grant	-	54,100	54,100	54,060
Others	-	23,528	23,528	27,933
	-	4,266,797	4,266,797	3,948,348
Other government grants				
Local authority grants	-	2,189,318	2,189,318	2,134,266
Other Government Grants	-	8,499	8,499	9,900
	-	2,197,817	2,197,817	2,144,166
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	85,120	85,120	-
Other DfE/ESFA COVID-19 funding	-	10,337	10,337	30,382
Non-DfE/ESFA				
Other COVID-19 funding	-	37,506	37,506	-
	-	132,963	132,963	30,382
Total funding	-	6,597,577	6,597,577	6,122,896

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

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	16,785	-	16,785	13,473
Catering income	37,287	-	37,287	46,016
School Shop	-	-	-	7,579
Parental contributions and clubs	17,027	-	17,027	28,484
Supply insurance income	-	49,876	49,876	70,176
Other income	13,700	31,965	45,665	79,995
	<u>84,799</u>	<u>81,841</u>	<u>166,640</u>	<u>245,723</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Other investment income	107	-	107	412
	<u>107</u>	<u>-</u>	<u>107</u>	<u>412</u>

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2021 £	Total 2020 £
Academy's educational operations					
- Direct costs	4,783,373	412,479	299,604	5,495,456	5,171,877
- Allocated support costs	1,097,678	366,200	374,622	1,838,500	1,873,636
Grants - support costs	-	14,687	-	14,687	34,163
	<u>5,881,051</u>	<u>793,366</u>	<u>674,226</u>	<u>7,348,643</u>	<u>7,079,676</u>

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Fees payable to auditor for:		
- Audit	13,750	13,750
- Other services	4,750	3,500
Operating lease rentals	3,589	4,201
Depreciation of tangible fixed assets	412,479	387,008
Net interest on defined benefit pension liability	50,000	40,000
	<u>484,568</u>	<u>452,459</u>

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Central services

The multi-academy trust has provided the following central services to its academies during the year:

- human resources and recruitment;
- financial services and internal audit;
- legal services;
- clerk

The multi-academy trust charges for these services on the following basis for this financial year:

- 3.25% GAG income, plus an allocation of HR costs (2020: 3.25% GAG income, plus an allocation of HR costs).

The amounts charged during the year were as follows:

	2021 £	2020 £
Exeter House Special School	107,832	79,669
St Marks CE Junior School	59,268	52,398
Wyndham Park Infants School	42,144	42,146
Somerset Road Education Trust	-	-
	<u>209,244</u>	<u>174,213</u>

9 Analysis of grant expenditure

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Improvements to diocesan property occupied by the multi-academy trust	-	14,687	14,687	34,163

Improvements to Diocesan property costs relate to the resource base at St Marks Junior School.

10 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Direct costs				
Educational operations	2,133	5,493,323	5,495,456	5,171,877
Support costs				
Educational operations	99,096	1,754,091	1,853,187	1,907,799
	<u>101,229</u>	<u>7,247,414</u>	<u>7,348,643</u>	<u>7,079,676</u>

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Charitable activities (Continued)

Analysis of costs	2021 £	2020 £
Direct costs		
Teaching and educational support staff costs	4,783,373	4,534,182
Staff development	27,460	35,078
Depreciation	412,479	387,008
Technology costs	63,015	58,436
Educational supplies and services	140,517	109,297
Examination fees	1,648	1,675
Educational consultancy	37,312	41,136
Other direct costs	29,652	5,065
	<u>5,495,456</u>	<u>5,171,877</u>
Support costs		
Support staff costs	1,097,678	1,149,282
Technology costs	63,302	63,114
Recruitment and support	67,864	73,807
Maintenance of premises and equipment	144,011	148,038
Cleaning	97,054	38,263
Energy costs	98,810	87,540
Rent, rates and other occupancy costs	26,784	29,916
Insurance	14,228	13,464
Security and transport	12,213	10,684
Catering	99,096	155,008
Finance costs	50,000	40,000
Legal costs	10,638	9,247
Other support costs	20,426	29,265
Governance costs	51,083	60,171
	<u>1,853,187</u>	<u>1,907,799</u>

Premises costs include an asset donation to the Salisbury Diocesan Board of Education of £14,687 (2020: £34,163 in relation to works at St Marks Junior School).

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	4,077,059	3,976,765
Social security costs	334,317	321,104
Pension costs	1,377,526	1,326,399
Staff costs - employees	5,788,902	5,624,268
Agency staff costs	92,149	59,196
Staff development and other staff costs	5,881,051 27,460	5,683,464 35,078
Total staff expenditure	5,908,511	5,718,542

Staff numbers

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

	2021 Number	2020 Number
Teachers	54	51
Administration and support	155	166
Management	9	10
	218	227

Higher paid staff

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

	2021 Number	2020 Number
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1

Key management personnel

The key management personnel of the multi-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 national insurance contributions) received by key management personnel for their services to the multi-academy trust was £310,194 (2020: £299,549).

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the multi-academy trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of Trustees' remuneration, whilst in post as trustee, and other benefits was as follows:

M Sambrook (CEO, Head teacher and Trustee)
 Remuneration £90,001 - £95,000 (2020: £90,001 - £95,000)
 Employers Pension £20,001 - £25,000 (2020: £20,001 - £25,000)

During the period ended 31 August 2021, no expenses were reimbursed to trustees (2020: £Nil).

Other related party transactions involving the trustees are set out within the related parties note.

13 Trustees' and officers' insurance

The multi-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 multi-academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

14 Tangible fixed assets

	Land and buildings	Property improvements	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2020	15,661,028	483,452	138,702	251,722	87,000	16,621,904
Additions	-	213,571	43,634	21,550	15,829	294,584
At 31 August 2021	15,661,028	697,023	182,336	273,272	102,829	16,916,488
Depreciation						
At 1 September 2020	1,554,129	66,997	97,896	125,710	84,000	1,928,732
Charge for the year	276,381	69,703	20,453	40,985	4,957	412,479
At 31 August 2021	1,830,510	136,700	118,349	166,695	88,957	2,341,211
Net book value						
At 31 August 2021	13,830,518	560,323	63,987	106,577	13,872	14,575,277
At 31 August 2020	14,106,899	416,455	40,806	126,012	3,000	14,693,172

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

14 Tangible fixed assets

(Continued)

The land and buildings were valued on the depreciated replacement cost method in an exercise undertaken by the Education Funding agency as at the 31 March 2015.

Each school's land and builds has been valued as follows:

	Land	Buildings
Exeter House Special School	£1,180,000	£11,139,000
Wyndham Park Infants School	£662,000	£2,342,000

The trust committed to a property leasehold agreement with Wiltshire Council in September 2016, the lease is for 125 years on a peppercorn rent basis from 1st January 2015. The value of the property has been introduced into the accounts as a gift for the value of £300,000, which has been agreed by the directors as a reasonable value based on guide prices for the property.

The land and buildings for Exeter House Special School and Wyndham Park School are leased to the Academy Trust by Wiltshire Council under a 125 year lease.

The St Mark's CE Junior School land and buildings are not included within fixed assets following clarification by the ESFA on Church owned land and buildings operated by the trust on a Church Supplementary Agreement. A notional rent value has not been included as it is not possible to obtain a reasonable estimate at this point.

15 Debtors

	2021 £	2020 £
VAT recoverable	35,032	12,606
Other debtors	251,050	121,578
Prepayments	72,884	72,812
	<u>358,966</u>	<u>206,996</u>

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	87,092	15,404
Other creditors	190,807	309,101
Deferred income	288,365	259,130
	<u>566,264</u>	<u>583,635</u>

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Deferred income

	2021 £	2020 £
Deferred income is included within:		
Creditors due within one year	288,365	259,130
	<u> </u>	<u> </u>
Deferred income at 1 September 2020	259,130	198,819
Released from previous years	(259,130)	(198,819)
Resources deferred in the year	288,365	259,130
	<u> </u>	<u> </u>
Deferred income at 31 August 2021	288,365	259,130
	<u> </u>	<u> </u>

The deferred income relates to income received in the period to 31 August 2021 which relates to the year ending 31 August 2022. The above deferred income relates to the following:

Rates Grant	£5,287
UIFSM	£64,838
SEN Top Up 21/22	£149,238
LA Top Up Overpayment	£6,612
LA Teachers' Pension Funding	£58,520
School Trip Deposits	<u>£3,870</u>
Total	<u>£288,365</u>

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	120,718	3,814,312	(3,472,223)	(128,040)	334,767
UIFSM	-	111,151	(111,151)	-	-
Pupil premium	3,000	154,023	(157,023)	-	-
Catch-up premium	-	85,120	(74,120)	-	11,000
Other DfE/ESFA COVID-19 funding	-	10,337	(10,337)	-	-
Other Coronavirus funding	-	37,506	(37,506)	-	-
Other DfE/ESFA grants	51,990	187,311	(217,726)	-	21,575
Other government grants	745	2,197,817	(2,198,562)	-	-
Other restricted funds	-	98,287	(98,287)	-	-
Pension reserve	(2,725,000)	-	(458,000)	(1,143,000)	(4,326,000)
	<u>(2,548,547)</u>	<u>6,695,864</u>	<u>(6,834,935)</u>	<u>(1,271,040)</u>	<u>(3,958,658)</u>
Restricted fixed asset funds					
DfE group capital grants	<u>14,745,604</u>	<u>283,656</u>	<u>(412,479)</u>	<u>128,040</u>	<u>14,744,821</u>
Total restricted funds	<u>12,197,057</u>	<u>6,979,520</u>	<u>(7,247,414)</u>	<u>(1,143,000)</u>	<u>10,786,163</u>
Unrestricted funds					
General funds	<u>274,576</u>	<u>122,571</u>	<u>(101,229)</u>	<u>-</u>	<u>295,918</u>
Total funds	<u>12,471,633</u>	<u>7,102,091</u>	<u>(7,348,643)</u>	<u>(1,143,000)</u>	<u>11,082,081</u>

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

The fixed asset fund was created based on the EFA valuation of the school's land and buildings which were transferred on conversion from the governing body. The cost is reflected in order to ensure there is adequate substance over form for accounting purposes. Additional assets are added to the fund, as they are required, and they will be written down by depreciation each year.

The restricted general funds are made up of the General Annual Grant received, to be spent on education within the Academy, and other related DfE or other authority grants.

Unrestricted funds are general donations and fund raising activities of the Academy and are used to support the provision of education with the Academy.

Under the funding agreement with the Secretary of State, the multi-academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

(Continued)

Additional breakdown of restricted fixed asset fund:

	B/Fwd	Capital grants	Grants	Other funds	Deprn	C/Fwd
	£	in year	defrayed	transfers	charged	£
		£	£	£	£	
LA resource base	-	157,750	(121,699)	(17,196)	-	18,855
LA capital grant	-	40,000	(38,421)	(1,579)	-	-
DFC Funds	-	26,152	(26,144)	(8)	-	-
CIF	9,452	59,754	(9,453)	89	-	59,842
Other committed capital	42,980	-	-	47,867	-	90,847
NBV assets	14,693,172	-	195,717	98,867	(412,479)	14,575,277
Per SOFA	14,745,604	283,656	-	128,040	(412,479)	14,744,821

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	150,316	3,510,125	(3,401,129)	(138,594)	120,718
UIFSM	-	110,304	(110,304)	-	-
Pupil premium	-	135,704	(132,704)	-	3,000
Other DfE/ESFA grants	23,272	192,215	(163,497)	-	51,990
Other government grants	640	2,174,548	(2,174,443)	-	745
Other restricted funds	-	174,283	(174,283)	-	-
Pension reserve	(2,005,000)	-	(436,000)	(284,000)	(2,725,000)
	(1,830,772)	6,297,179	(6,592,360)	(422,594)	(2,548,547)
Restricted fixed asset funds					
DfE group capital grants	14,924,414	62,575	(387,008)	145,623	14,745,604
Total restricted funds	13,093,642	6,359,754	(6,979,368)	(276,971)	12,197,057
Unrestricted funds					
General funds	281,453	100,460	(100,308)	(7,029)	274,576
Total funds	13,375,095	6,460,214	(7,079,676)	(284,000)	12,471,633

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Funds

(Continued)

Total funds analysis by academy

	2021 £	2020 £
Fund balances at 31 August 2021 were allocated as follows:		
Exeter House Special School	306,276	146,628
St Marks CE Junior School	185,988	153,865
Wyndham Park Infants School	168,482	149,173
Somerset Road Education Trust	2,514	1,363
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	663,260	451,029
Restricted fixed asset fund	14,744,821	14,745,604
Pension reserve	(4,326,000)	(2,725,000)
	<hr/>	<hr/>
Total funds	11,082,081	12,471,633
	<hr/>	<hr/>

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Exeter House Special School	2,785,286	312,384	106,019	397,727	3,601,416	3,437,911
St Marks CE Junior School	1,135,881	131,761	80,462	165,577	1,513,681	1,485,238
Wyndham Park Infants School	803,860	135,703	84,804	130,587	1,154,954	1,161,046
Somerset Road Education Trust	58,347	109,829	800	39,137	208,113	172,471
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	4,783,374	689,677	272,085	733,028	6,478,164	6,256,666
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	14,575,277	14,575,277
Current assets	295,918	933,606	169,544	1,399,068
Creditors falling due within one year	-	(566,264)	-	(566,264)
Defined benefit pension liability	-	(4,326,000)	-	(4,326,000)
Total net assets	295,918	(3,958,658)	14,744,821	11,082,081
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	14,693,172	14,693,172
Current assets	274,576	760,088	52,432	1,087,096
Creditors falling due within one year	-	(583,635)	-	(583,635)
Defined benefit pension liability	-	(2,725,000)	-	(2,725,000)
Total net assets	274,576	(2,548,547)	14,745,604	12,471,633

20 Pension and similar obligations

The multi-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 Wiltshire Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £519,737 (2020: £494,348)

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 multi-academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The multi-academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for 2020/21 are 25.4% for employers and 5.5% to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £490,000.

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

Total contributions made	2021 £	2020 £
Employer's contributions	490,000	432,000
Employees' contributions	111,000	99,000
Total contributions	601,000	531,000

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.3	2.6
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.65	1.7

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

	2021 Years	2020 Years
Retiring today		
- Males	21.9	21.7
- Females	24.4	24.0
Retiring in 20 years		
- Males	22.9	22.5
- Females	26.2	25.5

Sensitivity Analysis

Change in assumptions at 31 August 2021:

	Approximate % increase in employer liability	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	269
0.1% increase in the Salary Increase Rate	0%	11
0.1% increase in the Pension Increase Rate	2%	255
1 year increase in life expectancy	4%	447

Defined benefit pension scheme net liability	2021 £	2020 £
Scheme assets	6,854,000	5,550,000
Scheme obligations	(11,180,000)	(8,275,000)
Net liability	(4,326,000)	(2,725,000)

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

(Continued)

The multi-academy trust's share of the assets in the scheme

	2021 Fair value £	2020 Fair value £
Equities	3,769,700	3,108,000
Bonds	2,261,820	1,776,000
Cash	68,540	-
Property	753,940	666,000
Total market value of assets	6,854,000	5,550,000

The actual return on scheme assets was £767,000 (2020: £74,000).

Amount recognised in the statement of financial activities

	2021 £	2020 £
Current service cost	408,000	387,000
Past service cost	-	9,000
Interest income	(99,000)	(93,000)
Interest cost	149,000	133,000
Total operating charge	458,000	436,000

Changes in the present value of defined benefit obligations

	2021 £
At 1 September 2020	8,275,000
Current service cost	853,000
Interest cost	149,000
Employee contributions	111,000
Actuarial loss	1,811,000
Benefits paid	(19,000)
At 31 August 2021	11,180,000

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Pension and similar obligations

(Continued)

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

	2021 £
At 1 September 2020	5,550,000
Interest income	99,000
Actuarial (gain)/loss	668,000
Employer contributions	490,000
Employee contributions	111,000
Benefits paid	(19,000)
Effect of non-routine settlements	(45,000)
At 31 August 2021	6,854,000

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

	2021 £	2020 £
Net expenditure for the reporting period (as per the statement of financial activities)	(246,552)	(619,462)
Adjusted for:		
Capital grants from DfE and other capital income	(283,656)	(62,575)
Investment income receivable	(107)	(412)
Defined benefit pension costs less contributions payable	408,000	396,000
Defined benefit pension scheme finance cost	50,000	40,000
Depreciation of tangible fixed assets	412,479	387,008
(Increase)/decrease in debtors	(151,969)	177,615
(Decrease)/increase in creditors	(17,371)	72,682
Net cash provided by operating activities	170,824	390,856

22 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	880,100	160,002	1,040,102

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

23 Long-term commitments, including operating leases

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

	2021 £	2020 £
Amounts due within one year	4,157	323
Amounts due in two and five years	8,834	-
	<u>12,991</u>	<u>323</u>

24 Capital commitments

	2021 £	2020 £
Expenditure contracted for but not provided in the accounts	-	44,000

Capital commitments at 31 August 2020 related to ongoing ground works at Exeter House Special School.

25 Related party transactions

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

In entering into these transactions, the multi-academy trust has complied with the requirements of the Academies Financial Handbook 2021.

Expenditure related party transactions

S Flemington the spouse of G Flemington, Head Teacher of St Marks CE Junior School and Wyndham Park Infants School, was also employed by the trust to April 2020. Her salary for the period was £Nil (2020: £28,912) plus employers pension of £Nil (2020: £6,815).

The site manager C Nelhams is a close friend of P Delaney who has carried out maintenance work at the trust. During the year, the Trust made payments to P Delaney totalling £Nil (2020: £345). No amounts were outstanding at the year end.

Income related party transactions

During the year, R McClatchey, Trustee of Somerset Road Education Trust, donated £Nil (2020: £25,000) to Exeter House for the academic year 2020-21.

SOMERSET ROAD EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 as stated in memorandum and articles of association for the debts and liabilities contracted before he or she ceases to be a member.