

Company Registration Number: 10460387 (England & Wales)

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

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SHEFFIELD SOUTH EAST TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	M Allen K Crawshaw E Tunnard D Matthews S Anwyl
Trustees	M Allen, Chairman K Crawshaw J Bradshaw D Grover M Lowe P Stead M Shipman J Doyle
Company registered number	10460387
Company name	Sheffield South East Trust
Principal and registered office	Manor Lodge Community Primary And Nursery School Manor Lane Sheffield S2 1UF
Senior management team	J Bradshaw, Chief Executive Officer C Whittingham, Headteacher - Acres Hill Community Primary School R Cuff, Headteacher - Manor Lodge Community Primary School A Clarke, Headteacher - Norfolk Community Primary School G Briggs, Headteacher - Philmore Community Primary School H Thornley, Headteacher - Wybourn Community Primary School A Bailey, Headteacher - Woodhouse West Primary School

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Independent auditor Mazars LLP
Chartered Accountants
Statutory Auditor
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Bankers Lloyds Bank
Furnival Street
Sheffield
S4 7YB

Solicitors Stone King
1 Aire Street
Leeds
LS1 4PR

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the audited financial statements and independent auditor's report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a trustees' report, and a director's report under company law.

Sheffield South East Trust operates six academies in the South East of Sheffield. Its academies have a combined pupil capacity (excluding nursery) of 2235 and had a roll of 2043 in the school census on 21st January 2020.

Structure, governance and management

a. Constitution

The multi-academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the multi-academy trust. The Trustees of Sheffield South East Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Sheffield South East Trust.

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

b. Members' liability

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

c. Trustees' indemnities

There have been no qualifying third party indemnity provisions in place for the year 1 September 2019 to 31 August 2020 (2019 - £Nil).

d. Method of recruitment and appointment or election of Trustees

The method of recruitment and appointment of Trustees is described in the articles and memorandum of association. There must be a minimum quorum of three Trustees, one of which will be the Chief Executive Officer. The members may appoint up to six through such process as they may determine. Including the Chief Executive Officer, the number of Trustees who are also employees shall not exceed one third of the total number of Trustees. The Trustees may also choose to appoint up to three 'Co-opted Trustees'.

Trustees serve a term of office of four years and may be re-appointed or re-elected.

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

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The Trustees have a vital role in our organisation. We aim to attract and retain people who have commitment, experience and the necessary skills to make a difference in the communities that we serve.

Training for the Trustees is recorded, and delivered on different levels:

- There is a training element to each main meeting delivered in-house
- External speakers deliver key elements, particularly covering statutory responsibilities
- This is supplemented by attendance at city (Learn Sheffield Governor/ Trustee Subscription) and regional events
- Email alerts from National Bodies and Trust membership to The Key.
- Partnership with Ambition Institute providing bespoke accredited training to Chair and CEO.

f. Organisational structure

The Chief Executive is the Accounting Officer of the Trust and, as such has ultimate responsibility for the operations and controls in place. At the point of approval of these financial statements Sheffield South East Trust included the following academies:

Academy	Date of Conversion	Type
Acres Hill Community Primary School	1 December 2016	Primary (Sponsored)
Manor Lodge Community Primary and Nursery School	1 December 2016	Primary
Phillimore Community Primary School	1 December 2016	Primary
Wybourn Community Primary and Nursery School	1 December 2016	Primary (lead school)
Norfolk Community Primary School	1 January 2017	Primary (Sponsored)
Woodhouse West Primary School	1 August 2020	Primary

Sheffield South East Trust has an experienced Board of Trustees in place, which is responsible for identifying and establishing strategies and policies and for ensuring they are implemented. Where appropriate, duties are delegated to committees, and employees of Sheffield South East Trust.

During the year to 31 August 2020 the Board of Trustees had a Finance, Audit and Risk Committee and a Standards and Performance Committee to assist them in carrying out their responsibilities.

Committee terms of reference are reviewed and agreed on an annual basis by the Board of Trustees. The Trustees have a detailed scheme of delegation for effective and efficient decision making for its committees and senior staff throughout Sheffield South East Trust.

The appointment of Trustees, auditors, approval of annual financial statements and budgets, along with the approval of policies and procedures implemented within the Trust remain the responsibility of the Board.

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

When considering and setting salary levels across the trust a clear set of principles is followed to ensure transparency. During the reporting period, decisions on senior pay were made in March 2019. In relation to the CEO's pay, the process was conducted by an organisation external to the Trust and reviewed by Trustees. For Headteacher pay, the process was conducted by the CEO and reviewed by Trustees.

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

Structure, governance and management (continued)

h. Connected organisations including related party relationships

During the reporting period there were no related parties, connected charities or organisations. The Trust have a pecuniary and business interests' policy in place. Declared business and pecuniary interests can be viewed on the Trust's website.

i. Trade union facility time

Sheffield South East Trust subscribes to the Sheffield City Council arrangement for Trade Union facilities time. The cost of this subscription was £11k in 2019/20. The service allows representatives from Sheffield City Council's recognised trade unions to represent their members in Sheffield schools on an individual or collective basis. There is a statutory obligation (Trade Union and Labour Relations (Consolidated) Act 1992 and the Employment Act 2002) on all schools to provide facilities time. This arrangement provides the following benefits:

- The Trade Union facilities time plays a very useful role in ensuring basic employer rights so that all staff have a consistent city-wide representation;
- Schools benefit from access to the experienced full time officers with schools across the city;
- Without this input, the Trust would have to reach agreements directly with each Trade Union to ensure the statutory rights of Trade Unions and employees are met

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent number
3	2.6

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1%-50%	0
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£0
Provide the total pay bill	£9,618,000
Provide the percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

Sheffield South East Trust will always communicate key messages to all staff in particular where the matter would be of concern to the employee. Staff are consulted with, alongside their representatives where required and are encouraged to raise any concerns they may have around the Trust, either formally or informally, with senior management or as appropriate so that these can be addressed. The Trust's shared values and ethos statement is made available in schools as well as on Trust and school websites to remind and encourage staff that this remains evident in everything we do.

All staff, including those that are disabled or become disabled at work are encouraged to take part in Trust wide events and training and also, the first to be made aware of any career development opportunities and vacancies across any of the Trust's schools. Appropriate training, support and adjustments will be made to ensure employees with disabilities are able to effectively fulfill their roles and take part in any Trust activities.

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

Sheffield South East Trust has due regard to relationships with suppliers it engages with and the wider community. Procurement of goods is dealt with in the Trust's scheme of delegation to ensure fair, value for money processes are always followed. We would always look to maintain positive relationships with suppliers we engage with and look to broker longer term contracts where possible. The Trust engages with the wider community daily through each of its schools. Where there are significant changes within the Trust that could have a direct impact on the local community, community stakeholders are engaged to seek their views for consideration and any concerns acted on accordingly.

l. Disabled persons

Each school will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure they are given full and fair consideration when such vacancies arise. Through the support and guidance of Occupational Health, employees who have been injured or disabled in the course of their employment can, where possible, continue in employment with the academy.

During employment, the school seeks to work with employees, taking into account their personal circumstances to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

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

Structure, governance and management (continued)

m. Connected organisations including related party relationships

During the reporting period there were no related parties, connected charities or organisations. The Trust has a pecuniary and business interests' policy in place. Declared business and pecuniary interests can be viewed in the Trust's website

Objectives and activities

a. Objects and aims

SSET will work with urgency to improve the quality of learning and outcomes for all children.

Our vision is, through a holistic and inclusive approach, to enhance learning and lifelong outcomes for all children in our schools. We know that we are stronger together, working together for the benefit of all children and for the achievement of all children and their families. We support and engender the ambition to raise the aspirations of all children and of all families. This is evident in everything that we do. Ours aims include:

- a creative and engaging curriculum.
- high quality provision
- innovative and imaginative
- develop parental partnerships
- creating an involvement in the child's development at the earliest point
- all children are ready for the next stage of their life
- work tirelessly to fill gaps and to improve
- seeking new ideas and experiences that benefit our children
- creative curriculum develops the whole child
- recognise special talents whether that be in sports, music or in the arts.
- high quality teaching
- best educational support that is available for our children and families.

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

Objectives and activities (continued)

b. Objectives, strategies and activities

As a Trust we are committed to securing high quality teaching and are innovative in recruiting to all positions with high quality professionals. In so doing we will improve recruitment and deployment of staff. We aim to provide world class professional opportunities for our staff. We share resources across the Trust to broker the best educational support that is available for our children and families.

Quality of Learning

SSET work with urgency to improve the quality of learning and outcomes for all children.

Leadership

- Ensure there is quality leadership at all levels, within each school and centrally within the Trust.
- Ensure consistent pupil standards and progress through the professional development of staff and governors.
- Develop interface and effective communication at all levels (Trustees, Governors, school leaders) regarding pupil progress.

Assessment and Monitoring

- Embed accurate assessment and effective use of performance data.
- Use targeted approaches to identified gaps in attainment and achievement through school and Trust self-evaluation.
- Embed a programme of monitoring and externally moderated reviews.

Quality of Education

- Deploy and recruit staff appropriately so every child has a good teacher.
- Improve teaching that requires improvement, ensuring that this is sustained in the classroom, all the time.
- Share good practice across SSET, providing peer to peer support.
- Take risks and develop an outward looking perspective, being open to change.

Curriculum

- Ensure pupils reading, writing and maths skills prepare them for the next stage in their education.
- Develop and build upon pupil's individual skills and talents in all areas.
- Prioritise well sequenced and structured curriculum development, in all areas including foundation subjects.
- Develop and implement effective strategies for the delivery of remote learning to secure continuity of education for children who are unable to attend school due to Covid-19.
- Support and nurture family involvement in education.
- Emphasise quality Early Years provision and early intervention.
- Meet the needs of all groups of learners, including those with SEND, through a truly inclusive approach.
- Ensure behaviour for learning enables outcomes to improve.

Intervention

- Ensure capacity and a clear route to intervene when necessary.

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

Objectives and activities (continued)

c. Public benefit

In pursuing the Trust's objectives outlined above, the Trustees have complied with their duty to have due regard to the Charity Commission's general guidance on public benefit and supplementary guidance on education as published on their website.

Strategic report

Achievements and performance

The context of children attending schools within Sheffield South East Trust is:

- 53% of pupils are categorised as disadvantaged (Pupil Premium), compared to 24% Nationally
- Within SSET, Manor Lodge and Wybourn have the highest level of disadvantaged pupils at 61%
- 57% of pupils are categorised as BME and 4 out of the 6 schools have numbers significantly above the National Average.
- 38% of pupils have English as an additional language.
- 20% of pupils have SEND compared to 15% nationally.
- Due to the impacts of the Coronavirus pandemic, there is no annual data to compare exclusion rates, absence rates and mobility from the previous year.

During the 2019 Autumn Term, four of the five SSET schools, Acres Hill Community Primary School, Manor Lodge Community Primary School, Phillimore Community Primary School and Wybourn Community Primary School were inspected by Ofsted. Following the inspections, all schools received a 'good' rating.

Wybourn and Phillimore retained their 'Good' ratings. Acres Hill moved from 'Special Measures' to 'Good', which highlights the huge improvements made at the school since joining the Trust as a sponsored school in 2016, and Manor Lodge moved from 'Requires Improvement' to 'Good'. This is the first 'Good' Ofsted rating the school has received in 15 years.

As national tests for the 2019/20 academic year were cancelled due to the impacts of the Coronavirus pandemic, there is no performance data to share for this reporting period.

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

Strategic report (continued)

Achievements and performance (continued)

General Trust Progress

In order to maintain progress within the Trust during 2019/20, priorities have been adjusted where appropriate or necessary in response to the impact of the global Covid19 pandemic

Infrastructure

- Executive Leadership Team, Member and Trustee boards have continued to work effectively during the pandemic, with regular meetings taking place remotely to discuss the Trust's approach to tackling the spread of the virus and to develop strategies for mitigating the impact of school closures on children's learning and progress.
- School websites continue to remain compliant. During the pandemic, the school websites have been key in ensuring important messages regarding the pandemic are delivered to parents and the community, in addition to providing a communication tool for signposting families to remote learning opportunities.
- Business systems, (insurance, finance, legal, Health and Safety, Payroll, ICT), are operational and embedded,
- The Trust moved its IT support contract to a single provider during the reporting period to ensure there are consistencies in the level of service being provided across all schools and so that IT systems can be set up and managed in the same way across all Trust schools.
- Budget set and approved with surplus 2019/20 (3 years). All Education Skills Funding Agency returns completed on time, including published accounts.
- A further £391K of CIF funding was successfully secured for capital projects in 2020, adding to the £1.5million secured over the last 4 years. Bids for 2021 are currently being prepared.
- Trust Capacity Fund activities completed, with a key focus on school improvement, CPD, IT and financial infrastructure and estates management.
- Schools Nursery Capital Fund projects totalling £589k either complete or close to completion.

Growth

- Woodhouse West Primary School joined the Trust in August 2020.
- Plans to provide a purpose built Alternative Provision within the Trust are progressing.

COVID-19 response - Operational

- All SSET schools closed on the 20 March 2020, as mandated by the Government, due to the Coronavirus pandemic. SSET continued to offer places to key worker and vulnerable families throughout the period of school closures.
- SSET adapted its policies and procedures quickly in difficult circumstances. Being a collaborative and supportive group of schools made this process more efficient and responsive.
- The Executive Leadership Team and Trust Central Team met weekly during school closures, making key decisions on how to manage school premises, to clarify staff expectations, to put in place systems for reducing the risk of transmission and to agree a consistent approach for communicating with staff, parents and the community, including responding to their concerns.
- The Trust worked closely with Sheffield City Council throughout the pandemic, with daily updates received via email from both the Local Authority and the Department for Education.
- The Trust supported and responded to both local and national requests for data regarding attendance, vulnerable children and staffing resilience.
- Staffing structures were agreed and put in place in all schools and at Trust level, to ensure continuity of provision in all schools should key post holders become ill. Remote working arrangements were also put in place for key staff to enabled the continued operation of key Trust functions.

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

Strategic report (continued)

Achievements and performance (continued)

- Thorough risk assessments were carried out and constantly reviewed, with associated protocols relating to all aspects of day-to-day school operations put in place to minimise the risk of transmission. This includes regular hand washing/hygiene, class bubbles, one way systems and routes through school where social distancing measures could be followed, additional cleaning of touch surfaces, use of PPE and staggered/zoned playtimes.
- Staffing issues and isolation periods for positive cases were tracked rigorously. Staffing rotas were put in place to minimise the number of staff in each school and therefore reduce the risk of transmission.
- Arrangements were made for staff identified as clinically extremely vulnerable (shielded) or vulnerable to work from home.
- To support effective communication and decision making, the Trustee Board and Local Governing Bodies moved to a model of full Board meetings, as opposed to the normal pattern of committee meetings, during the Summer term. All these meetings were held remotely via video conferencing.
- The importance of maintaining positive mental health and wellbeing has been given high priority throughout the pandemic, with this being reinforced in all work practices and communications.
- COVID-19 response – Curriculum & Learning
- Although national tests for the 2019/20 academic year were cancelled and national data collections did not take place in 2020, SSET has continued to monitor pupil progress and prepared school reports.
- Home learning packs were prepared on a regular basis for every child in each school, with the first set of learning materials produced and circulated at the point of school closures on the 20 March. Some of these packs were hand delivered to families by staff.
- Online learning was established in each school through various remote education platforms and school websites were utilised increasingly to share information, updated resources, work and photos with parents and staff.
- Over 350 Laptops and over 100 4G WiFi routers were secured through the DfE to send to families where access to devices or the internet was limited. This ensured an increased number of children within SSET were supported to access remote learning and secured greater equality in terms of learning opportunities.
- The Trust launched a Blended Learning Pilot whereby pre enrolled tablet devices are being purchased for all children in an identified year group in each school, with the aim of piloting and developing good practice in delivering education through the blending of face-to-face and computer based approaches to curriculum delivery.
- Daily texts and emails were sent to parents, encouraging them to contact the school for any help or advice in relation both to their general well-being and family circumstances, and to their children's learning. Staff also made fortnightly calls to all pupils in each class to check on their welfare and offer support. Additional 'keeping in touch' strategies, including video messages and stories read by staff, were sent out to children on a regular basis.
- To secure an effective transition into school, the Trust made plans for FS2 children joining roll in September 2020 to engage with a comprehensive induction process, including with staggered starts, to mitigate against the fact that many children had not been attending nursery since March 20. The same approach was applied for Y6 children leaving SSET and moving to secondary schools.
- The Trust made detailed and wide-ranging plans for all children being welcomed back to school in September 2020. Children would be taught in class bubbles of no more than 30 children with 2 members of staff. Each bubble would have its own room and resources and would not mix at all with other class bubbles. Break times and lunchtimes would be staggered and zoned, with meals provided to classrooms in takeaway style boxes where necessary. There would be no large gatherings and parents would be able to enter the school building by appointment only. Start and end of day procedures were updated to allow for use of additional routes into school and staggered starts/ends to the school day to avoid congestion.

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

Strategic report (continued)

Achievements and performance (continued)

COVID-19 response – Free School Meals

- From the point of school closure, all children eligible for free school meals who were learning at home were able to collect a daily lunch bag from school. These changed to weekly lunch parcels as the pandemic progressed into the Summer.
- SSET worked with Sheffield City Council and its school meal provider during the Easter Holidays to deliver food hampers to vulnerable families. SSET continued to provide weekly food parcels to targeted vulnerable families throughout the pandemic.
- The Trust registered for the Government's free school meal voucher scheme in which each eligible pupils received £15 per week to spend in selected supermarkets. SSET also funded eligible free school meal children to continue to receive a free lunch if attending school.

COVID-19 response – Vulnerable Children

- SSET devised and consistently implemented a rigorous safeguarding protocol, incorporating DfE and Local Authority guidance, to ensure that there was ongoing monitoring, assertive flagging up of concerns and proactive seeking of support for vulnerable pupils during the pandemic.
- The Trust worked with the Local Authority to ensure daily contact was made with families whose children were identified as vulnerable. This contact included face to face visits where this was deemed to be necessary to ensure children's safety and well-being. Schools were also in regular contact with vulnerable families and their social workers.
- 83% of vulnerable children identified within SSET attended school for at least some sessions in the period from 23 March 2020. Attendance of these children was actively encouraged by schools.
- During the Summer holidays, SSET schools ran short holiday schemes for vulnerable children and their families, with a focus on healthy minds and bodies.
- All schools allocated staff to keep in touch with vulnerable families during the Summer holidays.

COVID-19 response – Attendance

- Attendance of key worker and vulnerable families was lower than anticipated during the first weeks of school closures in March and April, averaging roughly 18%. Analysis of this low attendance percentage identified the main reasons as families following national advice to 'stay at home'; anxiety amongst the community and pupils and families with health vulnerabilities.
- The Trust welcomed back priority year groups highlighted by the Government (Y6, Y1, FS2 & FS1) from the 15 June 2020 in a phased manner. Children were taught in protective bubbles with no more than 15 pupils in each class, a class teacher and a Teaching Assistant. Where schools had capacity, additional year groups were also invited to attend, with targeting of children identified as being most at risk of an increased disadvantage gap.
- Approximately 50% of Y6 children took up the offer of a school place from June. This was lower in Y1, FS2 and FS1 at 25%. These figures were reflective of patterns seen at the time, both locally and nationally.

COVID-19 response – Finance

- SSET continued to honour existing contracts with suppliers during the pandemic. This included arrangements with agency staff.
- SSET schools received a total of £163K catch up funding from the DfE. Schools developed plans to spend this money focusing on additional staffing for targeted intervention, intervention programmes, online tutoring and resources.

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

Strategic report (continued)

Achievements and performance (continued)

a. Reporting

Regular update reports are completed by the Chief Executive Officer, who reports progress on the plan to the Board of Trustees and shares key issues affecting individual schools. Several external reviews are conducted annually and reports from these are received by the Trustees. Data is provided to the Board on safeguarding, key performance indicators and the delivery of plans, including the ongoing impact of strategies to improve the sponsored schools and action taken on attendance.

b. Going concern

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

Financial review

Sheffield South East Trust income is derived in the main from the Department of Education (DFE) via the Education & Skills Funding Agency (ESFA) in the form of revenue and capital grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned.

Incoming resources during the year ended 31 August 2020 totalled £14,937k and were sufficient to cover outgoing resources and provided a surplus of £1,615k before transfers and other recognised gains and losses.

At the 31 August 2020 the net book value of fixed assets was £24,488k. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust. At the 31 August 2020 the net assets excluding pension liability was £26,099k.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Academy. It should be noted that this does not present the Academy with any current liquidity problem. The employer contributions since December 2016 have increased and it is expected that they will continue to increase further. Overall the academy has a healthy balance sheet and will be using reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and the short term in conjunction with the school development plan and school aims.

Within the reserves policy users should note that, because of accounting for Local Government Pension Scheme (LGPS), the academy recognises a significant pension fund deficit totaling £11,340k. This deficit is included in restricted funds. This does not lead to an immediate liability for this amount

The presence of a pension deficit will generally result in a cash flow effect for the Trust in the form of an increase in employer's pension contributions over a period of years. The Trust is confident it can meet the increase in contribution levels and this has been factored into future financial plans.

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

Strategic report (continued)

Financial review (continued)

a. Reserves policy

For individual schools joining the Trust, reserves brought forward on conversion are accounted for in their individual statement.

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review and aim to build and maintain the reserves level whilst in keeping with the principle object of the academy.

Total reserves at the end of the period amounted to £14,759k, this balance includes unrestrictive funds (free reserves) of £1,040k which is considered appropriate for the Academy Trust, and restricted funds excluding pension and fixed assets of £Nil.

b. Investment policy

A Trust Investment policy is yet to be implemented should any potential investment opportunity arise this would be escalated to the Board for consideration. As of 31st August 2020 no investments were held.

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 a number of key responsibilities and commitments in regards to this.

- 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 inspiring other fundraisers, demonstrating the perceived importance of fundraising to the organisation, and demonstrating their leadership in this area.
- The Board are committed to ensuring that fundraising activities are carried out in an ethical manner.
- 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' (CC20)
- Fundraising activities carried out by individual Academies, including their PTA will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the Academies' stated mission and purpose.
- All personal information collected by the Academy is confidential and is not for sale or to be given away or disclosed to any third party without consent.

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

Fundraising (continued)

- Nobody directly or indirectly employed by or volunteering for the Academy shall accept commissions, bonuses or payments 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.
- Financial contributions will only be accepted from companies, organisations and individuals the Board considers ethical.
- All 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.
- Complaints will be dealt with in accordance with the Trusts complaints procedure.

Streamlined energy and carbon reporting

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

	2020
Energy consumption used to calculate emissions (kWh):	2,013,975
Energy consumption breakdown (kWh):	
Gas	1,519,708
Electricity	494,267
Scope 1 emissions (in tonnes of CO2 equivalent):	
Gas consumption	279
Total scope 1	<u>279</u>
Scope 2 emissions (in tonnes of CO2 equivalent):	
Purchased electricity	115
Total gross emissions (in tonnes of CO2 equivalent)	<u><u>394</u></u>

Quantification and Reporting Methodology

We have followed the Government's Environmental Reporting Guidelines and guidance from the Government on Streamlined Energy and Reporting (SECR). We have used the 2020 Government Conversion Factors for reporting.

Intensity measurement

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

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

Streamlined energy and carbon reporting (continued)

Measures taken to improve energy efficiency

We have managed to replace heating systems in a number of schools as part of Condition Improvement Fund projects which will bring about energy savings. Flat roof replacements have also taken place and planned for future years which will also bring about energy savings and a reduction in emissions. Schools also have rolling schemes in place to reduce energy usage e.g. replacing halogen lighting with LED wherever possible.

Principal risks and uncertainties

Like all other Multi Academy Trusts, Sheffield South East Trust is operating through a continuing period of uncertainty regarding future funding, both locally and nationally. The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks.

A key uncertainty highlighted by the Trust Board is the pace and level of future growth, any such growth will result in additional funding; potential additional risk and may result in additional capacity being required to support the central infrastructure of the Trust.

Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A trust risk register has been implemented and is updated and reviewed regularly. Where appropriate, systems or procedures have been established to mitigate the risks each academy faces.

It should also be noted that procedures are in place to ensure compliance with health and safety of staff and pupils.

The presence of a pension deficit will generally result in a cash flow effect for the Trust in the form of an increase in employer's pension contributions over a period of years. The Trust is confident it can meet the increase in contribution levels and this has been factored into future financial plans.

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

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

Trust priorities and development

The Trust strategic plan identifies those areas that the Trust believes are key to the successful operation of the organisation considering both current issues and future areas to develop:

Business strategy

- Continue to enhance the Business Model for the Trust to ensure that it remains effective and efficient, and ensures that academies have access to high quality core services from the Trust.
- Integrate the priorities identified in the estates plan into the future revenue and capital financial plans.
- Evaluate progress against the estates plan on a quarterly basis.
- Continue to generate income through trading financial and business related services outside of the Trust.
- Actively seek out opportunities to attract capital investment.
- Actively seek out opportunities for both fundraising & bidding for funds, including those focused on school improvement and school workforce professional development.

Finance strategy

- Maintain a 3-year budget plan / Medium Term Financial Strategy to support the Trust Development Plan and ensure resources can be allocated swiftly to need.
- Ensure robust mechanisms are in place to comply with statutory policies and regulations.
- Continue to develop consistent financial practice across the Trust.
- The Trust has begun discussing integrating certain financial functions which includes payroll being run from a central account and some financial processes in schools being moved within the central team to ensure there is consistency in reporting across the Trust.
- Identify opportunities to enhance the level of integrated working across the Trust.

Growth

- Expand the Trust; initially within Sheffield Primary and Special schools in the Sheffield area that have a consistent ethos with that of the Trust; expansion beyond that area requires further consideration by the Trust, as it would present potential challenges to our founding ethos

Leadership strategy

- Plan for identified needs and succession, using opportunities for cross school secondments/ employment and training. (NCTL programmes and similar)
- Embed Governor Networks based upon specific areas
- Embed Governor – Trustee interface and communication strategy.
- Each school works with the Trust to ensure a consistent approach to School Self Evaluation, through consistent audit and review.
- CEO and Executive Leadership team develop further cohesive practices, consistently improving teaching and learning strategies in a school led system.

Assessment and Monitoring

- Continue to develop a consistent assessment, moderation, data collection and analysis cycle, resulting in a shared understanding of pupil attainment and progress at all levels.

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

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

Trust priorities and development (continued)

Teaching and Learning

- CEO and Executive Leadership team to tackle underperformance rigorously.
- Monitor and develop the teaching profile in each school. Recruit/ deploy across the Trust to any vacancies.
- Triangulate teaching, pupil's work and pupil outcomes to judge the quality of teaching consistently in each school, sharing good practice when identified.

Curriculum

- Reduce exclusions by continued development of pastoral support and respite/ reintegration within different SSET schools. Embed SSET behaviour policy and card system.
- Redefine all curriculum in to ensure Intent, Implementation and Impact is clear and progression is sequenced well in all areas.
- Provide a well-balanced reading programme in each school, leading to improved outcomes.
- Provide a consistent and innovative approach to curriculum delivery for all pupils and particularly vulnerable pupils with complex needs, leading to improved outcomes and reduced exclusions
- Develop and implement effective strategies for the delivery of remote learning to secure continuity of education for children who are unable to attend school due to Covid-19.

We are working to review and refine the following services to create greater efficiencies of scale:


- Facilities & property management.
- Further opportunities to work in an integrated way which will ultimately identify opportunities to rationalise procurement processes and gain economies of scale and improved value for money.
- Enhanced range of high quality and specialist educational, business, & financial services that support schools
- SEND provision for pupils with high and complex needs

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the 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 Jan 29, 2021 and signed on its behalf by:


Mike Allen (29 Jan 2021 12:11 GMT)

M Allen
Chair of Trustees

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Sheffield South East 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 misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Master Funding Agreement and Supplementary Funding Agreements between Sheffield South East Trust and the Secretary of State for Education.

They are also responsible for reporting to the board of trustees any material weakness or breakdowns in internal control.

The Board encountered unexpected challenges to effective governance in 2019/20 during the ongoing Coronavirus pandemic. Since March 2019, in response to these challenges, the Board has met via video conferencing only, to reduce the risk of virus transmission and to enable the Board to maintain oversight of the Trust's operation.

The Board recognises that the pandemic has not only had a huge impact on children and their families but also on the staff and volunteers who work within our schools. Trustees understand the impacts the pandemic may have on staff well-being and have worked with Trust leaders to encourage staff to access a range of wellbeing support through the Trust's health and well-being partner.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 4 times during the year. The two committees, as described below, have met 3 times during the year.

As a record, attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
M Allen, Chair	3	3
K Crawshaw, Vice Chair	3	3
J Bradshaw	3	3
D Grover	3	3
M Lowe	3	3
P Stead	3	3
M Shipman	0	3
J Doyle	3	3

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The finance, audit and risk committee is a sub-committee of the main board of trustees. Its purpose is to:

- assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees responsibility for ensuring sound management of the Trust's finances and resources, including proper planning, monitoring and probity.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
K Crawshaw, Chair	4	4
J Bradshaw	4	4
P Stead, Vice Chair	3	4
J Doyle	4	4

The standards, pay and performance committee is a sub-committee of the main board of trustees. Its purpose is to:

- ensure a constant review of standards, progress and performance across all academies.
- identify and disseminate best practice across the Trust.
- put in place effective strategies to accelerate progress for all children in all year groups.
- ensure high quality provision at all academies and that all academies are on an improvement trajectory in terms of OFSTED judgements.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
M Lowe, Chair	3	3
J Bradshaw	3	3
D Grover, Vice Chair	2	3
M Allen	3	3
M Shipman	1	3

Key priorities for the next year will be:

- to build the membership of the board to provide a range of skills and experience to support the growth of the Trust.
- the procurement of services that will benefit our academies by achieving better quality, delivering economies of scale and consistent outcomes across our schools.

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the academy Trust has delivered improved value for money during the year in the following ways:

- The Trust continues to undertake significant works at its academies successfully attracting funding from the ESFA's Condition Improvement Fund (CIF). The aim of this work has been to improve the general condition of the schools and to improve, in particular, their suitability for high quality provision whilst not negatively impacting on the individual school budgets.
- The Trust has introduced the new chart of accounts recommended by the Education, Skills Funding Agency (ESFA). This will allow for greater consistency both within and beyond the Trust and should lead to more accurate benchmarking. The Trust has also engaged with the Financial Insights software launched by the ESFA and plans to share this with Trustees during the Spring Term.
- The Trust has continued to review its financial position during the year and has met with specific schools to challenge and support them with assumptions made. Due to the impact that COVID19 continues to have on the financial position the Trust intends to review and reset all school budgets during the Spring term 2021.
- The Trust received a Financial Resource Management Advisor visit during the year initial feedback was positive however due to the COVID19 pandemic the final report has been delayed. The final report should be available in the Spring term, which will then be shared with Trustees.
- The role of the Financial Controller continues to work with schools in the Trust to enhance level of practice and ensure compliance within the Trust. Key documentation, checklists and processes for review have been developed and implemented. These improved arrangements will lead to improved and more timely information being provided to stakeholders.
- As the Trust continues to grow, contracts are subject to review prior to renewal and are procured at Trust rather than individual school level making use of both national and local frameworks, this increased bargaining power drives out efficiency savings for each of the Trusts individual academies and ensures that value for money and efficient procurement in one academy is replicated in its other academies, thus, creating increased economies of scale and enhanced financial literacy amongst academy business staff.

In each of these examples, the Trust is using its budgets wisely to improve the resources available to pupils and staff and, in turn, for this to positively impact upon outcomes. This is clearly evident in the assessment and test tables set out above, which show clear impact and, in turn, good value for money.

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Sheffield South East Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

On a regular basis, the Finance Director reports to the Board of Trustees, through the Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)


Review of effectiveness

As Accounting Officer, the Chief Executive 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 external auditor;
- the work of the Responsible Officer in reviewing the adequacy of internal control arrangements across the Trust.
- the work of the leadership team within the Trust who have responsibility for the development and maintenance of the internal control framework
- increased prescription in the operational financial expectations of the Trust including written guidance, monthly checklists, training and 1-1 mentoring. The introduction of a Financial Controller also provides additional capacity to support these developments and ensure compliance
- external reviews have been commissioned during the period to develop an assessment of the educational provision in each school


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

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


Mike Allen (Jan 29, 2021 12:11 GMT)

.....
M Allen
Chair of Trustees

Date: Jan 29, 2021


Joanne Bradshaw (Jan 29, 2021 13:17 GMT)

.....
J Bradshaw
CEO

Date: Jan 29, 2021


SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Sheffield South East Trust I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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


Joanne Bradshaw (Jan 29, 2021 13:17 GMT)

.....
J Bradshaw
Accounting Officer

Date: Jan 29, 2021

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

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

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

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


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

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

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

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

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


Mike Allen (Jan 29, 2021 12:11 GMT)

.....
M Allen
Chair of Trustees

Date: Jan 29, 2021

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SHEFFIELD SOUTH EAST TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SHEFFIELD SOUTH EAST TRUST (CONTINUED)**

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SHEFFIELD SOUTH EAST TRUST (CONTINUED)**

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 25, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy 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 to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities for the audit of the financial statements

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

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

Use of the audit 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.


Shaun Mullins (Jan 29, 2021 15:57 GMT)

Shaun Mullins (Senior Statutory Auditor)
for and on behalf of
Mazars LLP

Chartered Accountants
Statutory Auditor

5th Floor
3 Wellington Place
Leeds
LS1 4AP

Date: Jan 29, 2021

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SHEFFIELD SOUTH EAST TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

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

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

Respective responsibilities of Sheffield South East Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Sheffield South East Trust's funding agreement with the Secretary of State for Education dated 30 November 2016 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SHEFFIELD SOUTH EAST TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

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

Mazars LLP

Mazars LLP
Chartered Accountants
Statutory Auditor

5th Floor
3 Wellington Place
Leeds
LS1 4AP

Date: Jan 29, 2021

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

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

		Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
	Note					
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		154	(1,249)	3,655	2,560	-
Other donations and capital grants		41	-	960	1,001	972
Charitable activities:	4					
Funding for the Academy Trust's educational operations		38	11,111	-	11,149	10,406
Other trading activities	5	224	-	-	224	282
Investments income	6	3	-	-	3	1
Total income		460	9,862	4,615	14,937	11,661
Expenditure on:						
Charitable activities:	8					
Academy Trust educational operations		55	11,761	1,506	13,322	12,450
Total expenditure		55	11,761	1,506	13,322	12,450
Net expenditure		405	(1,899)	3,109	1,615	(789)

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

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

		Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
	Note					
Net expenditure		405	(1,899)	3,109	1,615	(789)
Transfers between funds	18	(234)	119	115	-	-
Net movement in funds before other recognised gains/(losses)		171	(1,780)	3,224	1,615	(789)
Actuarial losses on defined benefit pension schemes	26	-	-	-	-	(2,381)
Net movement in funds		171	(1,780)	3,224	1,615	(3,170)
Reconciliation of funds:						
Total funds brought forward		869	(9,560)	21,835	13,144	16,314
Net movement in funds		171	(1,780)	3,224	1,615	(3,170)
Total funds carried forward		1,040	(11,340)	25,059	14,759	13,144

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10460387


BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	14	24,488	21,291
		<u>24,488</u>	<u>21,291</u>
Current assets			
Debtors	15	1,510	757
Cash at bank and in hand	23	1,473	1,630
		<u>2,983</u>	<u>2,387</u>
Current liabilities			
Creditors: Amounts falling due within one year	16	(1,340)	(974)
		<u>1,643</u>	<u>1,413</u>
Net current assets			
Creditors: Amounts falling due after more than one year	17	(32)	-
		<u>26,099</u>	<u>22,704</u>
Net assets excluding pension liability			
Defined benefit pension scheme liability	26	(11,340)	(9,560)
		<u>14,759</u>	<u>13,144</u>
Total net assets			
		<u>14,759</u>	<u>13,144</u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	25,059	21,835
		<u>25,059</u>	<u>21,835</u>
Restricted funds excluding pension liability	18	25,059	21,835
Pension reserve	18	(11,340)	(9,560)
		<u>13,719</u>	<u>12,275</u>
Total restricted funds	18		
Unrestricted income funds	18	1,040	869
		<u>14,759</u>	<u>13,144</u>
Total funds			
		<u>14,759</u>	<u>13,144</u>

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10460387

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 31 to 64 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


Mike Allen (Jan 29, 2021 12:11 GMT)

.....
M Allen
Chair of Trustees

Date: Jan 29, 2021

The notes on pages 36 to 64 form part of these financial statements.

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash used in operating activities	20	(1,145)	(681)
Cash flows from investing activities	22	950	885
Cash flows from financing activities	21	38	-
Change in cash and cash equivalents in the year		(157)	204
Cash and cash equivalents at the beginning of the year		1,630	1,426
Cash and cash equivalents at the end of the year	23, 24	<u>1,473</u>	<u>1,630</u>

The notes on pages 36 to 64 form part of these financial statements.

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Sheffield South East 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 i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from donations and capital grants' to the net assets received.

Investment income

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

1. Accounting policies (continued)

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

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

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

Long leasehold land	-	1%
Long leasehold buildings	-	3%
Furniture and equipment	-	25%
Computer equipment	-	25%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

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

1. Accounting policies (continued)

1.6 Liabilities

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

1.7 Provisions

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

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

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. 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.

1.10 Taxation

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

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

SHEFFIELD SOUTH EAST TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.11 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/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.

1.12 Fund accounting

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

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

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

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

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The Academy Trust 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 26, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Transfer from local authority on conversion	154	2,406	2,560	-
Other donations	41	-	41	52
Capital Grants	-	960	960	920
Total 2020	195	3,366	3,561	972
Total 2019	52	920	972	

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	7,878	7,878	7,649
Start Up Grants	-	25	25	-
Other DfE Group Grants	-	2,078	2,078	1,600
	-	9,981	9,981	9,249
Other government grants				
Local authority income	-	965	965	1,014
Other income for the Academy Trust's educational operations	-	165	165	143
	-	1,130	1,130	1,157
Exceptional government funding				
Coronavirus exceptional support	38	-	38	-
Total 2020	38	11,111	11,149	10,406
Total 2019	-	10,406	10,406	

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

The funding received for coronavirus exceptional support covers £38k of free school meal, transport and cleaning costs. These costs are included in notes 7 and 8 below as appropriate.

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

5. Income from other trading activities

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Hire of facilities	11	11	2
Income from ancillary trading activities	213	213	280
Total 2020	224	224	282
Total 2019	282	282	

6. Investment income

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Short term deposits	3	3	1
Total 2019	1	1	

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. Expenditure

	Staff Costs	Premises	Other	Total	Total
	2020	2020	2020	2020	2019
	£000	£000	£000	£000	£000
Educational operations:					
Direct costs	7,728	625	713	9,066	8,482
Allocated support costs	1,878	1,386	992	4,256	3,968
Total 2020	9,606	2,011	1,705	13,322	12,450
Total 2019	9,074	1,734	1,642	12,450	

8. Charitable activities

	2020	2019
	£000	£000
Direct costs - educational operations	9,066	8,482
Support costs - educational operations	4,256	3,968
	13,322	12,450

	2020	2019
	£000	£000
Analysis of support costs		
Support staff costs	1,878	1,989
Technology costs	125	94
Premises costs	1,386	1,111
Other support costs	840	650
Governance costs	27	124
	4,256	3,968

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. Net expenditure

Net expenditure for the year includes:

	2020	2019
	£000	£000
Operating lease rentals	20	12
Depreciation of tangible fixed assets	625	623
Fees paid to auditor for:		
- audit	23	20
- other services	10	8
	<u> </u>	<u> </u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020	2019
	£000	£000
Wages and salaries	6,680	6,314
Social security costs	634	549
Pension costs	2,075	1,872
	<u>9,389</u>	<u>8,735</u>
Agency staff costs	192	318
Staff restructuring costs	25	21
	<u>9,606</u>	<u>9,074</u>

Staff restructuring costs comprise:

	2020	2019
	£000	£000
Redundancy payments	-	9
Severance payments	25	12
	<u>25</u>	<u>21</u>

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. Staff (continued)

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £18k (2019 - £15k). Individually, the payments were £10,000 and £8,252 (2019 - £11,700, £438, £438, £55, £561, £246, £205, £328 and £724).

c. Staff numbers

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

	2020 No.	2019 No.
Teachers	98	77
Administration and support	216	208
Management	21	25
	<u>335</u>	<u>310</u>

d. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	3	4
In the band £70,001 - £80,000	2	1
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-
	<u>1</u>	<u>1</u>

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £632k (2019 - £565k).

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. Central services

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

- finance and administration
- educational consultancy
- professional services
- publicity and marketing

The Academy Trust charges for these services on the following basis:

The trust charges a flat 5% of GAG income for these services.

The actual amounts charged during the year were as follows:

	2020	2019
	£000	£000
Acres Hill Community Primary School	59	58
Manor Lodge Community Primary School	66	66
Norfolk Community Primary School	84	77
Phillimore Community Primary School	89	88
Woodhouse West Primary School	6	-
Wybourn Community Primary School	90	141
Total	394	430

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. Trustees' remuneration and expenses

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

		2020 £000	2019 £000
J Bradshaw (Chief Executive and Accounting Officer)	Remuneration	110 - 115	105 - 110
	Pension contributions paid	25 - 30	15 - 20

During the year, retirement benefits were accruing to no Trustees (2019 - 1) in respect of defined benefit pension schemes.

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

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £39,402 (2019 - £48,089). The cost of this insurance is included in the total insurance cost.

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. Tangible fixed assets

	Freehold property £000	Leasehold Land and Buildings £000	Assets under constructio n £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation						
At 1 September 2019	-	22,842	-	8	74	22,924
Additions	-	-	140	2	30	172
Acquisitions	3,642	-	8	-	-	3,650
At 31 August 2020	3,642	22,842	148	10	104	26,746
Depreciation						
At 1 September 2019	-	1,601	-	2	30	1,633
Charge for the year	-	605	-	2	18	625
At 31 August 2020	-	2,206	-	4	48	2,258
Net book value						
At 31 August 2020	3,642	20,636	148	6	56	24,488
At 31 August 2019	-	21,241	-	6	44	21,291

15. Debtors

	2020 £000	2019 £000
Due within one year		
Trade debtors	23	13
VAT recoverable	32	181
Prepayments and accrued income	1,455	563
	1,510	757

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. Creditors: Amounts falling due within one year

	2020	2019
	£000	£000
Other loans	6	-
Trade creditors	25	384
Other taxation and social security	150	147
Other creditors	197	49
Accruals and deferred income	962	394
	<hr/>	<hr/>
	1,340	974
	<hr/>	<hr/>
	2020	2019
	£000	£000
Deferred income at 1 September	258	288
Resources deferred during the year	340	258
Amounts released from previous periods	(258)	(288)
	<hr/>	<hr/>
Deferred income at 31 August	340	258
	<hr/>	<hr/>

At the balance sheet date the Academy Trust was holding funds received in advance from the Education and Skills Funding Agency which related to Universal Free School Meals of £95k (2019 - £101k), Funded Early Learning from Sheffield City Council of £191k (2019 - £151k), class size funding of £27k (2019 - £Nil), Pupil Growth funding of £27k (2019 - £Nil) and Philosophy For Children Grant of £Nil (2019 - £6k).

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Creditors: Amounts falling due after more than one year

	2020	2019
	£000	£000
Other loans	32	-

Included within other loans are three Salix loans, which are as follows:

One of £15k which is provided on an interest free basis over a period of eight years. This loan is being repaid through biannual instalments of £2,489.

One of £8k which is provided on an interest free basis over a period of eight years. This loan is being repaid through biannual instalments of £1,077.

One of £15k which is provided on an interest free basis over a period of eight years. This loan is being repaid through biannual instalments of £1,950.

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2020	2019
	£000	£000
Payable or repayable by instalments	9	-

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 August 2020 £000
Unrestricted funds					
General Funds	869	460	(55)	(234)	1,040
Restricted general funds					
General Annual Grant (GAG)	-	7,878	(7,997)	119	-
Start Up Grant	-	25	(25)	-	-
Pupil Premium	-	1,227	(1,227)	-	-
Other grants	-	1,981	(1,981)	-	-
Pension reserve	(9,560)	(1,249)	(531)	-	(11,340)
	(9,560)	9,862	(11,761)	119	(11,340)
Restricted fixed asset funds					
Transfer on conversion	21,241	3,655	(605)	-	24,291
DfE Group capital grants	544	960	(881)	-	623
Capital expenditure from GAG	50	-	(20)	115	145
	21,835	4,615	(1,506)	115	25,059
Total Restricted funds	12,275	14,477	(13,267)	234	13,719
Total funds	13,144	14,937	(13,322)	-	14,759

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

18. Statement of funds (continued)

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

- Restricted General Funds must be used for the normal running costs of the trust in line with the Master Funding Agreement and restrictions from other sources.
- Unrestricted funds are not generally used and will be held in reserve until the need to draw down on them arises.
- Restricted Fixed Asset Funds are used solely for capital purposes in line with the strategic objectives of the Trust.
- There is currently £47k of Condition Improvement Funding which relates to schemes that have already commenced but were not finalised at the balance sheet date.
- It is the Trustees intention to allocate all funds granted to the pursuit of its objectives and to use their current funding for the full benefit of their current pupils, save a contingency and reserves policy detailed earlier.

Transfers relate to GAG funds used for capital expenditure and utilising unrestricted funds to cover restricted funds deficits.

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

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £000	2019 £000
Acres Hill Community Primary School	70	4
Manor Lodge Community Primary School	150	199
Norfolk Community Primary School	347	254
Phillimore Community Primary School	56	77
Woodhouse West Primary School	135	-
Wybourn Community Primary School	224	267
Central Services	58	68
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,040	869
Restricted fixed asset fund	25,059	21,835
Pension reserve	(11,340)	(9,560)
	<hr/>	<hr/>
Total	14,759	13,144
	<hr/> <hr/>	<hr/> <hr/>

SHEFFIELD SOUTH EAST TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000	Total 2019 £000
Acres Hill Community Primary School	927	198	57	207	1,389	1,652
Manor Lodge Community Primary School	1,222	198	69	448	1,937	1,842
Norfolk Community Primary School	1,651	266	98	291	2,306	2,419
Phillimore Community Primary School	1,672	242	72	292	2,278	2,397
Woodhouse West Primary School	117	24	-	7	148	-
Wybourn Community Primary School	1,941	345	108	512	2,906	2,864
Central services	198	605	46	884	1,733	653
Academy Trust	7,728	1,878	450	2,641	12,697	11,827

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18. Statement of funds (continued)

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

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds						
General Funds	761	335	(35)	(192)	-	869
Restricted general funds						
General Annual Grant (GAG)	4	7,649	(7,809)	156	-	-
Pupil Premium	-	1,212	(1,212)	-	-	-
Other grants	-	1,545	(1,545)	-	-	-
Pension reserve	(6,504)	-	(675)	-	(2,381)	(9,560)
	<u>(6,500)</u>	<u>10,406</u>	<u>(11,241)</u>	<u>156</u>	<u>(2,381)</u>	<u>(9,560)</u>
Restricted fixed asset funds						
Transfer on conversion	21,846	-	(605)	-	-	21,241
DfE Group capital grants	175	920	(551)	-	-	544
Capital expenditure from GAG	32	-	(18)	36	-	50
	<u>22,053</u>	<u>920</u>	<u>(1,174)</u>	<u>36</u>	<u>-</u>	<u>21,835</u>
Total Restricted funds	<u>15,553</u>	<u>11,326</u>	<u>(12,415)</u>	<u>192</u>	<u>(2,381)</u>	<u>12,275</u>
Total funds	<u>16,314</u>	<u>11,661</u>	<u>(12,450)</u>	<u>-</u>	<u>(2,381)</u>	<u>13,144</u>

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19. Analysis of net assets between funds

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	24,488	24,488
Current assets	1,040	1,024	919	2,983
Creditors due within one year	-	(1,024)	(316)	(1,340)
Creditors due in more than one year	-	-	(32)	(32)
Pension scheme liability	-	(11,340)	-	(11,340)
Total	1,040	(11,340)	25,059	14,759

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

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	21,291	21,291
Current assets	869	974	544	2,387
Creditors due within one year	-	(974)	-	(974)
Pension scheme liability	-	(9,560)	-	(9,560)
Total	869	(9,560)	21,835	13,144

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NOTES TO THE FINANCIAL STATEMENTS
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20. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020	2019
	£000	£000
Net income/(expenditure) for the period (as per statement of financial activities)	1,615	(789)
Adjustments for:		
Depreciation	625	623
Capital grants from DfE and other capital income	(960)	(920)
Interest receivable	(3)	(1)
Defined benefit pension scheme cost less contributions payable	362	500
Defined benefit pension scheme finance cost	169	175
Increase in debtors	(753)	(336)
Increase in creditors	360	67
Transfer on conversion from local authority	(2,560)	-
Net cash used in operating activities	(1,145)	(681)

21. Cash flows from financing activities

	2020	2019
	£000	£000
Cash inflows from new borrowing	45	-
Repayments of borrowing	(7)	-
Net cash provided by financing activities	38	-

22. Cash flows from investing activities

	2020	2019
	£000	£000
Interest received	3	1
Purchase of tangible fixed assets	(172)	(36)
Capital grants from DfE Group	370	920
Capital funding received from sponsors and others	590	-
Transfer on conversion from local authority	159	-
Net cash provided by investing activities	950	885

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23. Analysis of cash and cash equivalents

	2020	2019
	£000	£000
Cash in hand	1,473	1,630
	<u> </u>	<u> </u>

24. Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	1,630	(157)	1,473
Debt due within 1 year	-	(6)	(6)
Debt due after 1 year	-	(32)	(32)
	<u>1,630</u>	<u>(195)</u>	<u>1,435</u>

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NOTES TO THE FINANCIAL STATEMENTS
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25. Conversion to an Academy Trust

On 1 August 2020 Woodhouse West Primary School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Sheffield South East Trust from Sheffield City Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Leasehold land and buildings	-	-	3,650	3,650
Cash - representing budget surplus on LA funds	154	-	5	159
LGPS pension deficit	-	(1,249)	-	(1,249)
Net assets/(liabilities)	154	(1,249)	3,655	2,560

26. Pension commitments

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

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

Contributions amounting to £203k were payable to the schemes at 31 August 2020 (2019 - £45k) and are included within creditors.

Teachers' Pension Scheme

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

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

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

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

The employer's pension costs paid to TPS in the year amounted to £878k (2019 - £574k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £846k (2019 - £772k), of which employer's contributions totalled £693k (2019 - £623k) and employees' contributions totalled £153k (2019 - £149k). The agreed contribution rates for future years are 14.1% and 15.1% for employers and 5.5% to 12.5% for employees.

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

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26. Pension commitments (continued)

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.55	3.25 - 3.35
Rate of increase for pensions in payment/inflation	2.40	2.10 - 2.20
Discount rate for scheme liabilities	1.80	1.80
Inflation assumption (CPI)	2.30	2.00 - 2.10

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	22.4	23.1
Females	25.2	25.9
<i>Retiring in 20 years</i>		
Males	23.9	25.3
Females	27.1	28.3

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate +0.1%	(381)	(313)
Discount rate -0.1%	390	320
Mortality assumption - 1 year increase	465	228
Mortality assumption - 1 year decrease	(452)	(224)
CPI rate +0.1%	389	318
CPI rate -0.1%	(380)	(310)

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26. Pension commitments (continued)

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

	2020	2019
	£000	£000
Equities	2,478	1,825
Corporate bonds	1,228	753
Property	439	303
Cash and other liquid assets	188	111
Other	894	495
Total market value of assets	5,227	3,487

The actual return on scheme assets was £7k (2019 - £221k).

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

	2020	2019
	£000	£000
Current service cost	(1,042)	(746)
Past service cost	-	(367)
Interest income	71	83
Interest cost	(240)	(258)
Administrative expenses	(13)	(10)
Total amount recognised in the statement of financial activities	(1,224)	(1,298)

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

	2020	2019
	£000	£000
At 1 September	13,047	9,090
Conversion of Academy Trusts	2,590	-
Current service cost	1,042	746
Interest cost	240	258
Employee contributions	153	149
Actuarial (gains)/losses	(353)	2,519
Benefits paid	(152)	(82)
Past service costs	-	367
At 31 August	16,567	13,047

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26. Pension commitments (continued)

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

	2020	2019
	£000	£000
At 1 September	3,487	2,586
Conversion of Academy Trusts	1,341	-
Interest income	70	83
Actuarial (losses)/gains	(353)	138
Employer contributions	693	623
Employee contributions	153	149
Benefits paid	(152)	(82)
Administrative expenses	(12)	(10)
At 31 August	<u>5,227</u>	<u>3,487</u>

27. Operating lease commitments

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

	2020	2019
	£000	£000
Not later than 1 year	19	19
Later than 1 year and not later than 5 years	26	41
	<u>45</u>	<u>60</u>

28. Members' liability

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

29. Related party transactions

No related party transactions took place during the year, other than certain Trustees' remuneration and expenses already disclosed in note 12.