

South Essex Alliance

Multi
-Aca
dem
y
Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2023

Company Registration Number: 8445314 (England and Wales)

South Essex Alliance Multi-Academy Trust
Contents

Item Page Reference and Administrative Details **1** Trustees' Report (including the Strategic Report and Governance Statement) **2-18** Statement on Regularity, Propriety and Compliance **19** Statement of Trustees' Responsibilities **20** Independent Auditor's Report on the Financial Statements **21-24** Independent Reporting Accountant's Report on Regularity **25-26** Statement of Financial Activities incorporating Income & Expenditure Account **27** Balance Sheet **28** Statement of Cash Flows **29** Notes to the Financial Statements, incorporating:

Statement of Accounting Policies **30-33** Other Notes to the Financial Statements **34-48**

South Essex Alliance Multi-Academy Trust Reference and Administrative Details

Members Mrs R Awan

Mrs J Bamford
Mr B Bezdel
Mr R Skelton

Trustees Mr D Kulesza-Smith Mrs F Bissenden (2nd term) Mrs A Law Mr A Davis (appointed 20/04/2023)
Mrs J Pickering Mr A Jacobson (resigned 8/01/2023)
Mrs P Whittle (2nd term) Mrs C Whitebread (resigned 17/10/2022)
Mr S King

Senior Management Team:

Chief Executive Officer (CEO) Mrs R Leek (appointed 1/09/2021) Mrs L Kapovic (appointed 3/10/2022, resigned 31/08/2023)
Mr L Faris (appointed 1 September 2023)

Headteacher (Rayleigh Primary School) Mrs L Kapovic
Headteacher (Wyburns Primary School) Mrs K Sansom
Headteacher (North Crescent School) Mrs S Walker
Chief Finance Officer (CFO) Mrs L Sellwood Mrs (co-CFOs, appointed 14/06/2022 and resigned 12/01/2023)
D Wade
Mrs S Tomlinson (appointed 12/1/2023 fixed term to 30/9/2023)
Mrs L Sellwood (appointed 1/9/2023)

Principal and Registered Office Love Lane

Rayleigh
Essex
SS6 7DD

Company Registration Number 8445314 (England and Wales)

Independent External Auditor Moore Kingston Smith LLP

9 Appold Street
London
EC2A 2AP

Internal Auditor SBM Services (UK)

12 Park Lane Business Centre

Essex CO4 5WR

Bankers Lloyds Bank

1 Legg St
Chelmsford
Essex
CM1 1JS

Solicitors Birketts LLP (to 31/8/2023)

Ipswich IP1 1QJ
Browne Jacobson (from 1/9/2023)
Nottingham NG2 1BJ

1

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 August 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Academy Trust operates 3 primary school academies in South East Essex, namely Rayleigh Primary School, Wyburns Primary School, and North Crescent Primary School.

The three academies have a combined pupil capacity of 840 (Reception – Year 6). The number on roll was 816 in the school census May 2023. There were 44 places at Rayleigh Nursery.

1 Structure, Governance and Management

1.1 Constitution

The South Essex Alliance Multi Academy Trust ("SEAMAT") is a company limited by guarantee (Company registration no. 8445314) and an exempt charity incorporated on 14 March 2013. The Academy Trust's Memorandum and Articles of Association (dated 27 March 2013, as amended by special resolution dated 14 December 2017) and the funding agreement (executed on 27 March 2013 as amended on 20 December 2017) are the primary governing documents of the Academy Trust. The trustees of SEAMAT are also the directors of the charitable company for the purposes of company law. The charitable company operates as SEAMAT.

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

1.2 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.

1.3 Trustees' Indemnities

As stated in the Academy Trust's Articles of Association (Clause 136): 'Subject to the provisions of the Companies Act 2006 every Trustee or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he/she is acquitted or in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.'

The Academy Trust has an indemnity policy in place to cover the cost of any such claims up to a total of £5 million in any one year.

1.4 Method of Recruitment and Appointment or Election of Trustees

In accordance with the current Articles of Association, the Board of Trustees comprises as a minimum three Trustees and up to ten Trustees appointed by the Members. At SEAMAT the required minimum

of two Parent Trustees is met through the Local School Board (LSB) structure where two formally elected parent governors sit on each of the three Boards.

Clause 57 in the Trust Articles of Association states “Providing that the Chief Executive Officer agrees so to act, the Members may by ordinary resolution appoint the Chief Executive Officer as a trustee. If so appointed, the individual holding the post of Chief Executive Officer shall cease to be a trustee if he or she ceases to hold the post of Chief Executive Officer”. It was agreed by the Board in March 2021 in keeping with the advice in the ESFA Academy Trust Handbook that CEO appointees from 2021 onwards would not become trustees of the MAT.

2

South Essex Alliance Multi-Academy Trust Trustees’ Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

1.5 Policies and Procedures adopted for the induction and training of Trustees

All new Trustees receive a full induction on appointment. Regular training for Trustees is provided as appropriate including their role as trustees of a charitable company. Details of the training is included in the Trust Governance Action Plan which is updated annually.

1.6 Organisational Structure

During the accounting period the Trustees continued to be the decision-making body and have been responsible for setting the Academy Trust’s strategic direction and for ensuring that the financial management of the Academy Trust meets all the legal requirements.

For the period covered by these financial statements, the Board of Trustees has delegated some of the responsibility for the running of the Academy Trust to the Local Governing Bodies of the constituent schools within the Academy Trust known as Local School Boards (“LSBs”).

The Trustee Board Scheme of Delegation was developed and ratified by the Board of Trustees in September 2020. It has since been reviewed and updated annually to ensure that it continues to comply with the DfE/ESFA regulations. The scheme clearly identifies the parameters of operation of the Academy Committees including the LSBs, their powers of decision making and action. The scheme emphasises the LSB role in monitoring, challenging, and scrutinising the standards and rigour of the delivery of education and standards within the individual schools. The three LSBs operate within consistent terms of reference, a governance toolkit and are supported by the Board of Trustees. The LSB Chairs have scheduled termly meetings with the Chair of Trustees and each LSB has a link Trustee who attends their meetings.

The Trustees have been responsible for developing and agreeing the Academy Trust’s policies; for monitoring key aspects of the schools’ performance across the Trust such as progress and attainment of pupils; for the quality of teaching, behaviour and safety of pupils, they have held the management and leadership to account for the outcomes of each pupil within the Trust. They have made all decisions on major items of expenditure, monitoring the overall financial position during 2022/23, and setting the 2023/24 budget.

In July 2022 the Board of Trustees strengthened their approach to operating with rigour and scrutiny by re-structuring the Finance, Resources, Risk and Audit Committee into two separate committees namely the Finance and Resources Committee and the Risk and Audit Committee. The Committees have clear individual terms of reference and together with the Education and Standards Committee form the sub committee structure of the Board. Further details are provided in the Governance Statement forming part of this Annual Report.

The Chief Executive Officer has delegated responsibility for the delivery of the strategic and operational direction of the Academy Trust set by the Board of Trustees. As Accounting Officer, the CEO is responsible to central government in terms of operational and educational attainment, standards, and services for the Academy Trust. The previous CEO, Ms R Leek, left the Trust on 28 September 2022. Mrs L Kapovic took over as CEO/Accounting Officer on 3 October 2022 in addition to her role as Headteacher of Rayleigh Primary school.

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

The key management personnel of the Academy Trust responsible for directing and controlling the Academy Trust comprise the Trustees together with the Senior Management Team (listed on page 1). Trustees are not remunerated for their services as Trustees of the Academy Trust.

The Academy Trust adopts the recommended pay scales from Essex Local Authority in determining the remuneration of all staff. These pay scales are ratified by the Trustees. The Trust Pay Committee are responsible for decisions relating to staff salaries on the basis of advice from the Local Authority and/or recommendations from performance review panels. The Trust Board Pay Committee has the responsibility to set the Pay Policy for the Trust and to implement the approved Pay Policy in respect of the pay for some or all staff employed in the individual schools to ensure consistency and parity

3

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

across the Trust. It also monitors and reports to the full Board of Trustees on the annual pattern of performance pay progression at each level and the correlation between pay progression, quality of teaching and outcomes for pupils. In addition, the Pay Committee along with the Finance and Resources Committee scrutinises local and national benchmarks on pay to ensure that the Trust approach is relevant and compares well with both academies and maintained schools.

Performance reviews of the Chief Executive are conducted by a panel consisting of the Chair of the Education and Standards Committee, the Chair/Vice Chair of the Finance and Resources Committee and an external advisor. Performance reviews of the Headteachers are undertaken by a panel consisting of the Chief Executive Officer, the LSB Chair, link trustee and an external advisor. Each panel makes recommendations to the Pay Committee on the basis of the progress made by the CEO and each Headteacher in achieving the agreed targets.

1.8 Trade Union facility time

No employees of the Academy Trust were relevant union officials during the accounting period.

1.9 Related Parties and other Connected Charities and Organisations

All activities in terms of Rayleigh Primary School as designated teaching school for the South Essex Teaching Institute were wrapped up in 2021-22. There are no related party transactions to record. However, a final payment back to the teaching school was made in November 2023.

2 Objectives and Activities

2.1 Objects and Aims

The Academy Trust's primary object, as set out in the Articles of Association, is "to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing, and developing schools offering a broad and balanced curriculum". During the period under review, the Academy Trust operated three schools, namely Rayleigh Primary School, Wyburns Primary School, and North Crescent Primary School.

In 2022-23, South Essex Alliance Multi-Academy Trust began its strategic review process with a review of its vision and aims through a consultative approach which will continue to be taken forward under the new CEO during 2023-24.

The review will determine a 3-year growth strategy for the Trust based on SEAMAT's commitment to achieving high-performing schools led by talented individuals. A key focus will be to enable each school to determine its approach, reflecting the needs of its local community and based upon the core SEAMAT values of Learner First and The Rights of the Child.

International perspectives and global environmental awareness are core components in ensuring the Trust offers a compelling curriculum for all children helping to equip them to prosper and play an active role in a rapidly changing world.

SEAMAT's central team is focussed on ensuring the most efficient use of resources through central purchasing and providing access to specific expertise which it would not be economic for schools individually to resource. Integrated financial planning and curriculum development supports the goal of continued educational excellence.

The central team facilitates sharing of expertise and best practice across the Trust schools. An active programme of management development, staff support and continued professional development underpins the Trust's approach.

2.2 Public Benefit

In setting our objectives and planning our activities the Trustees have carefully considered the

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

2.3 Strategic Report

2.3.1 Achievements and Performance

Across the year the following were successfully implemented

- The strategic plan for 2021-24 continued to be implemented focussing on raising standards, the 'well schools practice', strengthening governance and leadership, and streamlining systems and processes to improve the running of the schools. Work also started on developing a strategy for sustainable growth (see 2.1).
- The Scheme of delegation for the Local School Boards was reviewed and strengthened along with the financial regulations and LSB toolkit to strengthen governance activities and compliance.
- New curricula introduced in 2021-22 to ensure compliance with Ofsted Criteria have continued to be developed. Schools have begun customising aspects successfully with consequent improvement in standards evidenced in the excellent KS2 results for the summer 2023.
- The distributive leadership strategy introduced in the spring of 2022 continued throughout 2023 strengthening and increasing the flexibility of the senior team.
- The Learner First strategy is fully embedded as the heart of the Trust guiding decision making.
- Financial scrutiny was strengthened and improved with the migration to new systems.
- The pace of the development of a central services model slowed due to staffing issues but continued to progress and was in place for September 2023. Further development of central services provision is in place and will increase efficiency and effectiveness.
- The pilot project with another Trust on sharing good practice and developing quality monitoring that was introduced in 2021-22 ended in February 2023 in favour of a revised growth strategy.
- Relationships between the schools continued to strengthen in terms of consistency and support with an emphasis on sharing good practice and resources. Each Headteacher led on one of the following MAT strategies:
 - Wellbeing
 - Teaching and Learning
 - Quality and standards
- Benchmarking between schools contributed to monitoring and scrutiny.
- Regular Internal assessment of the pupils shows that learning has continued successfully throughout the period.
- Safeguarding monitoring increased and strengthened during the period.
- An external review of governance was commissioned by the Trustee Board as part of their annual self-assessment process. It was conducted by a National Leader of Governance between January and March 2023. Trustees found it very encouraging and have incorporated the findings into their 2023 self-assessment and Trust action plan.

Staffing

Staffing generally remained stable across the Academy Trust during 2022-23. However, the resignation of the CEO in late September 2022 required interim measures to be put in place whilst a new CEO was recruited. The Headteacher of Rayleigh Primary, which is the sponsor school, was appointed as interim CEO/Accounting Officer from October 2022 to August 2023.

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

The senior leadership team for the Trust was strengthened to provide consistent support across the three schools. The Assistant Headteacher postholders within the schools were given thematic cross Trust curriculum lead roles that worked effectively.

Curriculum

The new curricula introduced in 2021-22 to ensure compliance with Ofsted Criteria continued to be developed in 22-23 with schools customising elements successfully with consequent improvement in standards. Rights of the Child and Learner First within a context of globalisation continue to be the bedrock of the curriculum model. In addition, the schools' ecological approach is reinforcing for the children the role they play in the health of the planet and has been enthusiastically received.

Standards

The results for all 3 schools in July 2023 at KS1 and KS2 showed upward trends and were above the national average in KS2 at Rayleigh and North Crescent.

Governance and Growth

The roles of Members, Trustees and the Local School Boards are defined with clear lines of accountability. Trustees are committed to achieving continuous improvement and this is led by the Trust Governance Action Plan which is updated annually.

The Board took the decision in 2020 that it wished to remain as an academy of Primary Schools and that its growth strategy would be based on this commitment. Trustees remain committed to this basic principle and have begun to consider potential partners. It is recognised that growth is essential to moving forward and the new CEO will lead the delivery of the strategy in 2023-24.

2.3.2 Key Performance Indicators 2022-23

The Trustee Board and the Finance and Risk Committee have called upon a range of key finance and other performance indicators to monitor financial performance, standards, and the health of the organisation. These include the following:

Finance indicators

Income

- Total Income/Pupils Numbers
- Self-generated income/total income

Expenditure

- Total Staff Costs/ Total Income
- Total Teaching Staff Costs/ Total Staff Costs
- Premises Costs / Pupil Numbers
- Average Teacher Costs
- Management costs/ total income & total expenditure

Balance Sheet

- Current asset vs current liabilities

Other Indicators

The information provided annually through the Schools Resource Management Self-Assessment tool is analysed and discussed at Committee and Board level. It is used for benchmarking and contextual monitoring.

Wellbeing of staff is closely monitored through surveys, discussions and observations.

School performance data is closely monitored at LSB, Trust Board Committee and Board level. The internal data for 22-23 shows upward trends across the Trust at different levels of achievement.

School attendance data is closely monitored including remote learning during any lock down periods. Essex data is used to provide pupil recruitment trend data which in turn informs the Trust's financial strategy and budget projections.

External consultant reviews on quality and standards are used to monitor

trends. **2.3.3 Going Concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the trust 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 principal accounting policies which follow the financial statements.

2.3.4 Financial Review

Results for the year

The results for the period are shown on page 27. Total income for the year ended 31 August 2023 amounted to £5,001,000 (2022: £4,983,000). The bulk of income was from the Education and Skills Funding Agency (ESFA), an agency of the Department for Education, the use of which is restricted to educational purposes. The grants received from the ESFA in the year ended 31 August 2023 and the associated expenditure are shown as restricted fund movements in the Statement of Financial Activities.

Total expenditure for the year ended 31 August 2023 (after depreciation and adjustments in respect of the Local Government Pension Scheme (LGPS) liability) was £5,643,000 (2022: £5,474,000). The net expenditure for the year was £642,000 (2022: £491,000).

Financial position

The financial position of the Academy Trust as at the reporting date is shown on page 28. The Academy Trust held total fund balances as at 31 August 2023 of £15,356,000 (2022: £15,438,000). This balance includes a restricted fixed assets fund balance totalling £15,033,000 (2022: £15,167,000) and a zero pension reserve (2022: deficit reserve of £505,000). The amounts represent the carrying value of the Academy Trust's tangible fixed assets necessary for the day-to-day operation of the Academy Trust and the Academy Trust's estimated share of the deficit in the Local Government Pension Scheme made available to support staff.

The Academy Trust held restricted revenue reserves of £57,000 (2022: £176,000). Unrestricted revenue funds of £249,000 (2022: £600,000) were held at the balance sheet date. These are the fund balances which are available to the Academy Trust to meet working capital requirements.

2.3.5 Reserves policy

The Trustees have reviewed the reserves of the Academy Trust. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of the reserves. The Trustees are satisfied that the current level of reserves held by the Academy Trust is sufficient to fund future capital projects along with the day-to-day operation of the Academy Trust.

With respect to any LGPS deficit, the Trustees acknowledge that the Academy Trust will not be liable for a lump sum payment and that any risks to cash flow as a result of this deficit will occur over several years. In addition, 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.

2.3.6 Fundraising activity

The Academy Trust did not actively engage in fundraising activities during the year. The Trustees

therefore do not consider that they are obliged to take account of regulations or best practice guidance notes for this area covered by the Charities (Protection and Social Investment) Act 2016.

2.3.7 Investment policy

Cash balances are monitored by Trust Board to ensure that adequate cash resources are available to meet future operational commitments. The Trust currently has no formal investment policy.

2.3.8 Principal Risks and Uncertainties

The Academy Trust maintains a risk register that is reviewed on an ongoing basis. This is included as an agenda item at each Board meeting for discussion and monitoring. The Local School Boards also review risk as a standing item on their agendas. In 2022-23 the RA Committee began exploring a more effective approach to managing risk across the Trust. A new risk management strategy, led by the Chair of Risk and Audit will be introduced in 2023-24.

- . **Education Standards** –The potential impact of a pandemic continues to be a risk nationally. The schools have detailed strategies in place to mitigate any impact. Both Rayleigh Primary and North Crescent are due for Ofsted inspection in the next 12 months and are making effective preparations.
- . **Replication of resources leading to wastefulness** – this is being addressed through the central services strategy but it is too soon to remove it as a risk.
- . **Succession planning** for the Trust has been identified as a significant risk and the Trustees are working on a plan to mitigate this risk including a trustee recruitment strategy and a 3 year growth strategy.
- . **Funding** continues to be a risk identified by the Trustees as projected pupil numbers in the next few years are reasonably low with staffing costs increasing year on year which is not matched by the same increases in government funding.
 - . **Health and safety compliance** remains a risk area; however, this is mitigated by regular checks by the site team and oversight by an external health and safety consultant.
- . **Cyber risk** and malware attack is an ongoing issue for all organisations and is viewed as a high priority by the Trust Board.
- . **Energy cost** turbulence is a constant risk and is managed through effective contract monitoring.
- . The **impact of the RAAC issue** on Wyburns school has created new risks that the Trust is closely monitoring.

2.3.9 Streamlined Energy and Carbon Reporting

As the Trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

2.3.10 Plans for Future Periods

The Trust's current strategic plan focusses on continuous improvement to achieve the highest standards in all aspects of its operations monitored through rigorous scrutiny and challenge as follows:

- Ensuring that our schools are dynamic and ever-improving centres for learning with demonstrable, measurable improvements year on year.

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

- Continuing to develop efficient, effective, relevant and inspiring curricula across the Trust supported by integrated finance and curriculum planning.
- Continuing to strengthen the internal scrutiny programme and strategy including peer review and benchmarking.
- Focussing on maintaining financial strength and developing opportunities for contingency

planning, strengthening pupil recruitment and broadening appropriate income streams.

- Continuing to ensure the wellbeing of staff and pupils so that people feel safe, valued, able to contribute, and are supported in achieving balance and good health.
- Strengthening and growing Trust sustainability through working with our own schools, our communities, partner schools and organisations within and outside of the sector.
- Continuing to strengthen Governance and Leadership through effective succession planning at all levels including the recruitment of new trustees and strengthening the implementation of distributive leadership.
- Developing and embedding streamlined and harmonised services, systems and processes that facilitate the smooth running of our schools.

Auditor

In so far as the Trustees are aware:

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

Moore Kingston Smith LLP signified their willingness to continue in office and a resolution proposing that they be re-appointed as auditors will be put to the Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees and signed on its behalf by:



Mrs P Whittle Date: 21st December 2023 Chair of Trustees

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

Governance Statement

1 Scope of Responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance along with ensuring we observe the requirements of the Academy Trust Handbooks of 2022 and 2023 where relevant.

2 Governance

2.1 Trustee Meetings

The Trustees are directors of the charitable company for the purposes of the Companies Act 2006. The following Trustees served throughout the year and up to the date of approval of this report except as shown.

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The Full Board of Trustees has formally met 10 times during the year.

The new committee structure was implemented in September 2022 as follows:

- . The Finance and Resources Committee met 4 times during the year.
- . The Risk and Audit Committee met 3 times.
- . The Education and Standards Committee met 3 times.

Therefore, in total the Trustees met 20 times during the academic year. In addition to these meetings, there were small working groups when required. The Committee Chairs were in regular contact with each other and the Chair of Trustees to ensure consistency of governance and scrutiny.

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

Full Board Meetings

1 August 2021 to 31 July 2022

Trustee Meetings	Attended Out of	a possible Appointed / Resigned
------------------	--------------------	------------------------------------

Mrs F Bissenden 10 10 Appointed 18 Sept 2023

Mr A Davis 5 5 Resigned 13 July 2022 Rejoined 20 April 2023

Mr A Jacobson 2 3 Resigned 8 January 2023 Mrs A Law 8 10 Appointed 20 Sept

2021 Mrs J Pickering 8 10 Appointed 20 Sept 2021 Mrs P Whittle 10 10 Appointed 18

Sept 2023 Mr D Kulesza Smith 9 10 Appointed 28 March 2022

10

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

Mr S King 9 10 Appointed 18 May 2022 Mrs C Whitebread 2 2 Resigned 17 October
2022

Finance and Resources Committee

1 August 2022 to 31 July 2023

Trustee Meetings	Attended Out of	a possible Appointed / Resigned
------------------	--------------------	------------------------------------

Mr A Davis 1 1 Resigned 13 July 2022 Rejoined 20 Apr 2023

Mr A Jacobson 1 1 Resigned 8 January 2023 Mr S King 4 4 Appointed 18 May 2022

Mr D Kuleza Smith 4 4 Appointed 28 March 2022 Mrs P Whittle 4 4 Appointed 18

Sept 2023

Education and Standards Committee

1 August 2022 to 31 July 2023

Trustee Meetings	Attended Out of	a possible Appointed / Resigned
-------------------------	----------------------------	--

Mrs F Bissenden 3 3 Appointed 18 Sept 2023 Mrs A Law 2 3 Appointed 20 Sept 2021

Mrs J Pickering 3 3 Appointed 20 Sept 2021 Mrs P Whittle 3 3 Appointed 18 Sept

2023 Mrs C Whitebread 1 3 Resigned 17 October 2022

11

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

Attended

Risk and Audit

Committee 1 August 2022

to 31 July 2023

Appointed / Resigned

Trustee Meetings	Out of a possible
-------------------------	------------------------------

Mr S King 3 3 Appointed 18 May 2022 Mr D Kuleza Smith 3 3 Appointed 28 March

2022 Mrs A Law 2 3 Appointed 20 Sept 2021 Mrs P Whittle 3 3 Appointed 18 Sept

2023 Mrs F Bissenden 2 3 Appointed 18 Sept 2023

There were three changes to the composition of the Board during the period covered by this report. Two Trustees resigned whilst a third rejoined the Board.

During the year, a hybrid approach to board meetings was adopted whereby members who could not attend in person were able to join via video conferencing.

The Board were supported and advised by its qualified governance professional at all meetings and who has been with the Board since 2019.

2.2 Governance Structure

The Trustees have a strong Trust Governance strategy delivered through a 3 year Trust Governance Action Plan. It has been used to guide strategic development in the context of the 6 categories of strategic leadership, accountability, people, structures, compliance, and evaluation. It is presented to the Board at each meeting and is formally reviewed at the annual strategy days. It works with the Trust Development Plan and the new Trust Improvement Plan that focusses specifically on education and standards.

2.2.1 Board of Members Role

The Members meet twice a year and are kept fully and regularly informed of actions and decisions via the Chair of Trustees' report on the following categories:

- Monitoring that the Trust's charitable object is being met.
- How the structure of the Trust from the Board downwards leads to improved progress and outcomes for the children in our care.
- How the structure of the Trust's central team ensures that there is sufficient support for and oversight of each of the schools in the Trust.
- How the Trustees hold the Chief Executive Officer to account for the performance of each school within the Trust.
- How Trustees monitor standards in each of the schools.
- How the Trustees ensure that appropriate financial oversight is being undertaken and that the schools in the Trust have sufficient resources to remain solvent.
- The key risks to the success of the Trust and how the Trustees monitor the likelihood, impact and mitigation of those risks.
- How the Board of Trustees ensures that it has the right skills to discharge its responsibilities.

12

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

- Developments in the education sector that may impact on the Trust.
- Health and safety/safeguarding.

The Chief Executive also attends the meetings and presents a report on operations, standards and development.

2.2.2 The Role of the Trustee Board committees

In 2022-23 the Board was supported in its work by three committees who conducted the detailed work, namely:

- The Education and Standards Committee.
- The Finance and Resources (FR) Committee (see 2.6 below).
- The Risk and Audit (RA) Committee.

All three Committees have a key role in internal scrutiny, including ensuring compliance. The FRAR and RA committees have new terms of reference and schedules of meetings. The Scheme of Delegation and the Finance Regulations have both been updated to reflect the changes.

The Education and Standards Committee's terms of reference are kept updated to reflect new initiatives. Across the year regular reports were received from the Headteachers which enabled the Board to triangulate information and thus ensure appropriate rigour and scrutiny. The Committee's key areas for monitoring are the Learner First strategy, safeguarding, standards, school improvement

plans, curriculum development, SEND and relevant risks.

The Board and its Committees adhere to the following four principles which inform everything they do and act as a basis for monitoring and scrutiny

- Ensuring clarity of vision, ethos and strategic direction.
- Holding executive leaders to account for the educational performance of the organisation and its pupils, and the performance management of staff.
- Overseeing the financial performance of the organisation and making sure its money is well spent.
- Ensuring that safeguarding and promoting the welfare of children is the priority at all times, together with providing a safe environment in which children can learn.

In March 2023 the Board agreed to include the following additional commitments to strengthen scrutiny:

- Ensuring the voice of stakeholders is heard.
 - Manage risks to ensure the effective operation of the Trust and to maintain a risk register.

The monitoring of risk is a standing item on all agendas across the Trust governance structure. A cross trust risk forum was introduced in April 2023 to support the development of an inclusive risk strategy attended by Trustees, LSB chairs, CEO and Headteachers and is a key part of establishing an embedded risk management culture.

2.2.3 Role of the Local School Boards (LSBs)

- The LSBs operate within the Scheme of Delegation including consistent terms of reference and standard agendas. Minutes of the meetings are received by the Board of Trustees. The scheme of delegation sets the parameters of operation and their powers of decision making and action. The LSBs participated in training and development across the year assisting them in becoming more confident in the way they challenge and support their headteachers.
- All 3 LSBs have a full complement of governors including appropriate elected parent representation.

13

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

- The Chairs meet regularly with their Headteachers and there are school link governors for key priorities of the school development plans with a schedule of school visits.
- Each LSB has a link Trustee who is the conduit between the Board of Trustees and the LSB governors and a source of information and support.
- The Chairs meet twice termly with the Chair of Trustees with a set agenda.
- The Headteachers value the support they receive from the LSBs and work closely with them.
- The external review of governance reports commented favourably on the working relationship between the Trustees and the LSBs. The LSB chairs were interviewed by the reviewer as part of the evaluation process.
- Minutes of the LSB meetings are received and discussed by the Board of Trustees and form a key part of scrutiny and monitoring enabling triangulation of information in terms of standards and finance.
- LSB Chairs participated in the recruitment processes for the CEO and headteachers during the year.

2.2.4 Role of Link Trustees

Each LSB Board is supported by a named Trustee who acts as their mentor and ensures that the LSB is working within SEAMAT's ethos and parameters. The Trustee is not a member of the LSB and does not engage in LSB debates nor give decisions on LSB issues but observes meetings and may comment by invitation.

It is important to note that the key relationship is between the Link Trustee and the Chair of the LSB who is responsible for the relationship between the LSB and the Headteacher. In this, the link Trustee has a key role in the internal scrutiny process.

The Link Trustee keeps the LSB updated on the non-confidential work of the Trustee Board through providing brief updates and holding regular conversations with the LSB Chair. In addition, the link Trustee may ask for items to be included in the Trustee Board agendas on behalf of the LSBs and/or raise any issues on their behalf.

Each LSB plays an active role in developing and monitoring their school budget and finances supported by the School Business Manager/Finance Officer.

2.3 Internal Scrutiny and control

The internal scrutiny process was strengthened during the academic year 2022-23 and is led by the Risk and Audit Committee which receives reports from the ESC and FR committees.

- SBM were appointed as internal auditors for financial operations audits covering payroll and personnel: financial operations and financial effectiveness.
- SBM also conduct annual GDPR audits and continue to support the DPO role.
- Specialist audits have been commissioned when required during the year including safeguarding audits and a detailed IT/Cyber audit with a consequent detailed action plan.
- The monitoring and scrutinising of educational performance was conducted throughout the year by the Education and Standards Committee following the plan in the Trust's Quality Manual and reporting to the Trustee Board.
- Compliance monitoring has been strengthened including the addition of Risk as a standing item on all agendas of all Committees of the Board, LSBs and management in terms of reviewing the relevant risk areas.
- Declaration of business interests is a standing item on all agendas and the Clerk holds the records which are scrutinised regularly.

14

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

- Compliance at all levels is tested against the ATH requirements, the financial regulations and the scheme of delegation.
- Standards of Governance at Trust and LSB level are monitored through the Trust Governance Action Plan, regular meetings between the Chair of Trustees and the three LSB chairs, supported by scrutiny of the LSB minutes by the Trustee Board.

2.4 Governance Self Evaluation 2022-23

The Board annual self-evaluation was conducted at its strategy day on 26 July 2023. The NGA self assessment framework, the governor competency framework, ATH guidelines and 'Schedule of Musts' were used to stimulate discussion. The DfE Academies Regulatory and Commissioning review provided a basis for a discussion on resilience.

Trustees reviewed effectiveness of their role, committee structure, communications, resilience, and succession planning. There were detailed discussions on how to enable effective role differentiation between the strategic and the operational roles in terms of leading the Trust.

As a result of the evaluation exercise the Board determined its priorities for 2023-24 for inclusion in the Trust Governance Action Plan. The Trustees evaluated the effectiveness of their role over the last

year as being good and identified areas for development in relation to the new strategic plan.

2.5 Quality of data used by the Board.

The Board had access to good quality data across the period of this report as follows:

- Good data on pupil standards was received and scrutinised by the ESC committee at its regular meetings before reporting to the Board.
- Financial reports from the CFO were received regularly by the FR Committee and scrutinised before being presented to the Board.
- Regular reports were provided on risk, safeguarding and health and safety.

2.6 Finance and Resources (FRAR) Committee

The Committee is a subcommittee of the Trust Board with the delegated authority to review and approve expenditure over £10,000 and up to £50,000. Any expenditure over £50,000 would be reviewed at Committee level and then referred to the main board for approval. The committee met 4 times across the year.

The Committee is authorised by the Trustee Board to investigate any activity within its terms of reference, and to seek any information it requires from staff, who are requested to co-operate with the Committee in the conduct of its inquiries.

The Committee exercises responsibility for and oversight of the following areas of the MAT:

- Finance.
- Integrating financial and curriculum management (working with the ESC). ▪
Website development to ensure it is fit for purpose.
- Economic situation and risk, helping the Trust to manage difficult situations. ▪
Data development.
- Premises.
- Health and Safety.
 - Reviews and monitors risk in relation to the above areas, reporting to the RA committee.

The Committee keeps the register of business interests under annual review and ensures that it is available for inspection by governors, staff and parents.

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

2.7 Risk and Audit committee

This is a newly formed committee (see 2.2.2 above) that had its inaugural meeting at the end of July 2022. It has taken over all the functions that relate to audit and risk that were previously dealt with by the Finance, Resources, Audit and Risk committee. Its areas of focus are:

- Internal Scrutiny - approve the trust's programme of internal scrutiny submitted by management ensuring the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risks.
- Risk - effectiveness of risk management.
- Ensure the transparency of Trust's governance in accordance with the financial regulations and where required the requisite information is published as required.
- The Trust's annual "Statement on Internal Control".

- External Audit.

2.8 Safeguarding Governance

The Trustees have the following statement below as its 4th key core function on all documentation and agendas to stress their absolute commitment to safeguarding as a top priority:

“Ensuring that safeguarding and promoting the welfare of children is the priority at all times, together with providing a safe environment in which children can learn.”

The structure across the Trust is strong and operates through the following: Safeguarding Lead Trustee; LSB safeguarding governors; DSL and DDSLs in each school; safeguarding lead for Trust; all Trustees receive KSCIE updates, all agendas have safeguarding as a standing item and there is regular safeguarding training.

3 Review of Value for Money

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

The Accounting Officer considers how the Academy Trust’s use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year through the following:

- Progress has been made towards aligning IT systems and licenses so that the Trust can benefit from shared training, shared expertise, and joint procurement.
- Business roles have continued to be reviewed in terms of building a cross-trust team and key roles are now in operation after a re-structure in early 2023.
- Rental agreements and lettings procedures are monitored through a strategic review cycle to ensure cost effectiveness.
- The criteria and activities that were part of the CEO recruitment process in January 2023 included business strategy, resource management and planning for sustainability and financial health.
- Families in the local community understand the partnership between the three schools and all schools remain popular. Breakfast and After School Club places are taken up by a wide range of children and have been expanded.
- Work continues to improve provision for children with special educational needs. All three schools have made progress in this area.

South Essex Alliance Multi-Academy Trust Trustees’ Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

4 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 ongoing process designed to identify and prioritise the risks to the achievement of the Academy Trust’s 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 and strengthened at the Academy Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements (see 2.3 above)

5 Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating, and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees through the Risk and Audit Committee who lead on this area and conduct regular reviews of the risk map, its relevance and application.

6 The Risk and Control Framework

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

- An annual budget along with comprehensive budgeting and monitoring systems within which the Board request regular financial reports which are then reviewed and agreed by the Board of Trustees and relevant LSB governors.
- Regular reviews by the Finance and Resources 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. ▪

Regular identification and management of risks.

A strategic risk register is in the process of being reviewed by the new Risk and Audit Committee who are leading a programme to develop the risk management approach across the Trust.

7 Review of effectiveness

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

- the work of the external auditor including key financial control checks;
- the financial management and governance self-assessment process;
- the work of the Senior Management Team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the internal auditor.

The Accounting Officer has advised the Trust Board of the implications of the review of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system.

17

South Essex Alliance Multi-Academy Trust Trustees' Report (including the Strategic Report and Governance Statement) Year ended 31 August 2023

Approved by order of the members of the Board of Trustees on 21st December 2023 and signed on its behalf by:



Mrs P Whittle

**South Essex Alliance Multi-Academy Trust
Statement on Regularity, Propriety and
Compliance Year ended 31 August 2023**

As Accounting Officer of the South Essex Alliance Multi-Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees can identify any material irregular or

improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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



Mr L Faris Date: 21.12.2023 Accounting Officer

**South Essex Alliance Multi-Academy
Trust Statement of Trustees'
Responsibilities Year ended 31 August
2023**

19

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

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

expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Mrs P Whittle Date: 21.12.2023 Chair of Trustees

Independent Auditor's Report on the Financial Statements to the Members of South Essex Alliance Multi-Academy Trust

Opinion

We have audited the financial statements of South Essex Alliance Multi-Academy Trust ('the academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable

law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and

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 financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Independent Auditor's Report on the Financial Statements to the Members of South Essex Alliance Multi-Academy Trust (continued)

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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where 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 or trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report on the Financial Statements to the Members of South Essex Alliance Multi-Academy Trust (continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit any significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the academy trust and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charities SORP 2019, the Academies Accounts Direction 2022 to 2023, the Academies Financial Handbook 2022 and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the academy trust complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

Independent Auditor's Report on the Financial Statements to the Members of South Essex Alliance Multi-Academy Trust (continued)

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and

transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of this 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

22
December
2023

Date:

James Saunders (Senior Statutory Auditor) 9 Appold Street for and on behalf of Moore
Kingston Smith LLP London EC2A 2AP

Independent Reporting Accountant's Assurance Report on Regularity to South Essex Alliance Multi-Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 19 July 2021 and further to the requirements of the Education Funding and Skills Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023 we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by South Essex Alliance Multi-Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to South Essex Alliance Multi-Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to South Essex

Alliance Multi-Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than South Essex Alliance Multi-Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of South Essex Alliance Multi-Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of South Essex Alliance Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 1 January 2000 and the Academies Financial Handbook, extant from 1 September 2023 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 2022 to 2023 . We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 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 2022 to 2023 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Independent Reporting Accountant's Assurance Report on Regularity to South Essex Alliance Multi-Academy Trust and the Education & Skills Funding Agency

The work undertaken to draw to our conclusion includes:

- review of financial records for unusual transactions;
- sample testing expenditure transactions were reasonable, appropriate and appropriately authorised in accordance with the Trust's procurement policy;
- review the minutes of the Board meetings;
- review the processes and controls to identify related party transactions and potential conflicts;
- obtaining formal representations from the Board and the Accounting Officer;
- reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Date: December
22 2023

Accountant
9 Appold Street London
EC2A 2AP

Moore Kingston Smith LLP Reporting

26

South Essex Alliance Multi-Academy Trust
Statement of Financial Activities for the year ended 31 August 2023
(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Unrestricted	Restricted Fixed Asset	General Restricted Total	Funds 2023	Funds 2022
				Note	Note
				£000	£000
Income and endowments from:					
Donations and capital grants	2				
Charitable activities:					
Funding for the academy trust's					
educational operations	3 15 4,627	- 4,642	4,446	Teaching schools	25 - - - - 23
Other trading activities	4 68 179	- 247	352	Total	114 4,806 81 5,001 4,983
Expenditure on:					

Raising funds 5 - 101 - 101 94 Charitable activities:

Academy trust educational operations 5, 6 464 4,769 310 **5,543** 5,357 Teaching schools 25 - - - - 23

Total 464 4,870 310 5,644 5,474 **Net income/(expenditure)** (350) (64) (229) **(643)** (491) Transfers between funds 15 (58) (37) 95 - -

Other recognised gains/(losses):

Actuarial gains on defined

benefit pension schemes 15, 22 - 560 - 560 3,185 **Net movement in funds** (408) 459 (134) **(83)** 2,694

Reconciliation of funds

Total funds brought forward 600 (329) 15,167 **15,438** 12,744 **Total funds carried forward** 192 130 15,033 15,355 15,438

All of the academy's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial

Activities. The detailed comparative information for the Statement of Financial Activities is included on note 26.

27

South Essex Alliance Multi-Academy Trust
Balance Sheet as at 31 August 2023

Notes 2023 2023 2022 2022
£000 £000 £000 £000

Fixed assets

Tangible assets 11 15,033 15,167 15,033 15,167

Current assets

Debtors 12 108 172 Cash at bank and in hand 694 1,135 802 1,307

Liabilities

Creditors : Amounts falling due within one year 13 (356) (385) **Net current assets** 446 922

Total assets less current liabilities 15,479 16,089

Creditors: Amounts falling due after more than one

year 14 (124) (146) **Net assets excluding pension liability** 15,355 15,943 Defined benefit pension scheme liability 22 - (505) **Total net assets**

15,355 15,438

Funds of the academy trust:

Restricted funds

Fixed asset fund 15 15,033 15,167 General fund 15 130 176 Pension reserve 15 - (505)

Total restricted funds 15,163 14,838 **Unrestricted income funds** 15 192 600 **Total funds** 15,355 15,438

21 December

The financial statements on pages 28 to 49 were approved by the trustees, and authorised for issue on 21 December 2023 and are signed on their behalf by:

P Whittle

Chair of Trustees

Company Registration Number: 8445314 (England and Wales)

28

South Essex Alliance Multi-Academy Trust
Statement of Cash Flow for the year ended 31 August 2023

2023 2022
Notes £000 £000

Cash flows from operating activities

Net cash provided by/(used in) operating activities 18 (400) 86 Cash flows from financing activities 19 - (4) Cash flows from investing activities 20 (96) (73) Change in cash and cash equivalents in the reporting period (496) 9 Cash and cash equivalents at 1 September 2022 1,135 1,126 Cash and cash equivalents at 31 August 2023 639 1,135

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023

1 Statement of Accounting Policies

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

Company information

South Essex Alliance Multi-Academy Trust is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office and principal place of business is Love Lane, Rayleigh, Essex, SS6 7DD.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: 'Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

South Essex Alliance Multi-Academy Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pound.

Going concern

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

In forming this assessment, the Trustees have considered the impact of the current Coronavirus pandemic on the Academy trust, with a particular focus on its effect on the Academy Trust's financial position including its income, expenditure and reserves; its beneficiaries, and its employees. Whilst the Trustees acknowledge the disruption caused by the pandemic to the Academy Trust's day-to-day operations, they do not consider this to be a cause for material uncertainty in respect of the Academy Trust's ability to continue as a going concern.

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 period is deducted from income and recognised as a liability.

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

• Donations

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

• Other income

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

• Transfers on conversion

Where assets are received by the 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 trust. An equal amount of income is recognised as Transfer on conversion within Donations and capital grant income.

1 Statement of Accounting Policies (continued)

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 a 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 the support costs involved in undertaking each activity. Direct costs attributable to a single activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• Expenditure on raising funds

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

• Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Assets costing £1,000 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, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

- Freehold buildings 2% straight line per annum
- Long leasehold buildings 2% straight line per annum
- Building improvements 4% to 10% straight line per annum
- Fixtures, fittings and equipment 20% to 33% straight line per annum

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

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 the 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 and services it must provide.

1 Statement of Accounting Policies (continued)

Provisions

Provisions can be 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 an 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 last pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

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

Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy

trust and their measurement basis are as follows:

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

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.

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

1 Statement of Accounting Policies (continued)

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated 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. The TPS is a multi employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 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.

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The net book value of tangible fixed assets is based on the original cost/value of the asset net of provision for depreciation. The depreciation provision to date is based on the Trustees' assessment of the estimated useful economic lives of such assets.

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

2 Donations and capital grants

	Unrestricted Funds	Restricted Funds	General Funds	Fixed Asset Funds	Total Funds 2023
	£000	£000	£000	£000	£000

Capital Grants - - 57 57 Other donations 31 - 24 55 2023/22 Total 31 - 81 112

2022/21 Total 13 - 149 162

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
--	---------------------------	-------------------------	-------------------------	-------------------------

£000 £000 £000 £000

DfE / ESFA revenue grants

General Annual Grant (GAG) - 3,489 **3,489** 3,643 Other DfE/ESFA grants
 UIFSM - 107 **107** 97 Pupil Premium - 273 **273** 272 Others - 640 **640** 99 - 4,509 **4,509** 4,111

Other Government grants

Local authority grants - 48 **48** 335 - 48 **48** 335

Other Income from the academy trust's educational operations 15 70 85 - **2023/22 Total** 15 4,627 4,642 4,446 **2022/21 Total** - 4,446 4,446

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

4 Other trading activities

**Unrestricted Restricted Total Total
 Funds Funds 2023 2022
 £000 £000 £000 £000**

Hire of facilities 68 - 68 65 Trips and club income - 100 **100** 169 Catering income - 53 **53** 47 Miscellaneous income - 26 26 71
2023/22 Total 68 179 247 352 **2022/21 Total** 352 - 352

5 Expenditure

Staff Non Pay Expenditure Total Total

**Costs Premises Other 2023 2022
 £000 £000 £000 £000**

Expenditure on raising funds:

E

Direct costs 101 **101** 94

Academy's educational operations:

A

Direct costs 3,215 580 128 **3,923** 3,560 Allocated support costs 893 449 278 **1,620** 1,797

Teaching School:

Allocated support costs ----- 23 **2023/22**

Total 4,108 1,029 507 5,644 5,474

Net income/(expenditure) for the period includes: **2023 2022 £000 £000**

Depreciation	311	23	Operating leases rentals	2	2	275	26
Fees payable to auditor for: Audit							
			Other services	<u>11</u>	<u>11</u>		

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

6 Charitable Activities

**Total Total
2023 2022
£000 £000**

Direct costs - educational operations **3,923** 3,560 Support costs - educational operations **1,620** 1,797 Support costs - Teaching Schools - 23
2023/22 Total 5,543 5,380

5,380

2022/21 Total

Analysis of support costs

Total

Educational Total

**operations 2023 2022
£000 £000 £000**

Support staff costs 889 **889** 1,103 Technology costs 16 **16** 14 Premises costs 449 **449** 354 Other support costs 139 **139** 285 Legal costs 72 **72**
4 Governance costs 55 55 37

Total support costs 1,620 1,620 1,797

7 Staff

a. Staff costs

Staff costs during the period were:

2023 2022
£000 £000

Wages and salaries 3,061 2,734 Social security costs 236 206 Operating costs of defined benefit pension scheme 740 1,063 **4,037 4,003**

Staff training 24 - Supply staff costs 47 97 **4,108 4,100**

b. Non statutory/non-contractual severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2022:

£nil). **c. Staff numbers**

The average number of persons employed by the academy during the period was as follows:

2023 2022
No. No.

Teachers 31 33 Administration and support 115 114 Management 9 10 **155 157**

36

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

d. Higher paid staff

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

2023 2022
No. No.

£60,001 - £70,000 1 2 £70,001 - £80,000 1 1 £80,001 - £90,000 1 -

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) received by key management personnel for their services to the academy trust was £522,160 (2022: £484,840).

8 Related Party Transactions - Trustees' Remuneration and Expenses

No 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.

During the year ended 31 August 2023, travel and subsistence expenses totalling £nil (2022: £nil) were reimbursed or paid directly to 0 trustees (2022: 0 trustee).

9 Trustees and officers insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost and is not separately identifiable.

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

10 Disclosure of central services

Central services are provided to constituent schools within The Academy Trust through Rayleigh Primary School. All central expenditure is initially settled by Rayleigh Primary School, which in turn recharges the remaining schools in order to recover the appropriate share of cost borne by the school. The following central services were provided during the year to 31 August 2023:

- Financial support services
- Legal and professional support services
- Health and safety
- IT support

The actual cost of each service is shared between the schools within the Academy Trust on a per pupil basis. The actual amounts recharged by Rayleigh Primary School to other schools within the Academy Trust were as follows:

2023 2022
£000 £000

Rayleigh Primary School 145 3 North Crescent Primary School 76 2 Wyburns Primary School 69 - 290.5

11 Tangible fixed assets

	Freehold Land and Buildings	Leasehold Land and Buildings	Improvements Furniture and	Equipment	Total
	Buildings	Building	£000	£000	£000 £000
Cost					
At 1 September 2022	12,401	2,049	1,906	264	16,620
Additions	--	117	60	177	
At 31 August 2023	<u>12,401</u>	<u>2,049</u>	<u>2,023</u>	<u>324</u>	<u>16,797</u>
Depreciation					
At 1 September 2022	457	386	369	241	1,453
Charged in year	<u>98</u>	<u>41</u>	<u>158</u>	<u>14</u>	<u>311</u>
At 31 August 2023	<u>555</u>	<u>427</u>	<u>527</u>	<u>255</u>	<u>1,764</u>
Net book values					
At 31 August 2023	<u>11,846</u>	<u>1,622</u>	<u>1,496</u>	<u>69</u>	<u>15,033</u>
At 31 August 2022	<u>11,944</u>	<u>1,663</u>	<u>1,537</u>	<u>23</u>	<u>15,167</u>

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

12 Debtors

2023 2022
£000 £000

Trade debtors 30 7 VAT recoverable 15 48 Prepayments and accrued income 63 117 108 172

13 Creditors: Amounts falling due within one year

2023 2022
£000 £000

Trade creditors 101 96 Other taxation and social security 15 57 Other creditors 124 83 Accruals and deferred income 116 149

356 385

Deferred income

2023 2022
£000 £000

Deferred income as at 1 September 2022 74 97 Amounts released from previous years (74) (97) Resources deferred in the year 72 74
Deferred income as at 31 August 2023 72 74

Deferred income at 31 August 2023, in the main, relates to funding received in the reporting period from the Education and Skills Funding Agency for Universal Infant Free School Meals income. This was specifically received for the 2023/24 academic year. In addition, the balance includes income received in advance from Essex County Council in respect for the provision of Nursery services for the 2023/24 autumn term.

14 Creditors: amounts falling due in greater than one year

2023 2022
£000 £000

Other creditors 124 146 124 146

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

15 Funds

	Balance at 1 September 2022	Gains	Losses	Balance at 31 August 2023
	Resources	Expended	Transfers	2023
	£000	£000	£000	£000
Restricted general funds				
General Annual Grant (GAG) 77 3,489 (3,498) 62 130 UIFSM - 107 (107) - - Pupil Premium - 273 (273) - - Other DfE/ESFA grants - 310 (310)				
- - Other grants and donations 99 285 (285) (99) - Local Authority Grant - 342 (342) - -				
Pension reserve (505) - (55) 560 - (329) 4,806 (4,870) 523 130				
Restricted fixed asset funds				
Transfer on conversion 13,673 - (138) - 13,535				
DfE/ESFA capital grants and 1,494 81 (172) 95 1,498 capital expenditure from GAG				
				<u>15,167 81 (310) 95 15,033</u>
Total restricted funds <u>14,838 4,887 (5,180) 618 15,163</u>				
Total unrestricted funds <u>600 114 (464) (58) 192</u>				
Total funds <u>15,438 5,001 (5,644)</u>				

560 15,355 The specific purposes for which the funds are to be applied are as follows:

General Annual Grant (GAG)

The GAG is provided by the Secretary of State through the Education and Skills Funding Agency (ESFA) to cover the normal running costs of the Academy Trust. Under the funding agreement, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward.

Transfers from the GAG to fixed assets fund represent a utilisation of GAG to help fund the purchase of the Academy Trust's tangible fixed assets

Other DfE/ESFA revenue grants

This fund comprises other revenue grants received from the ESFA which are provided for specific purposes and includes the Pupil Premium grant which is provided to support disadvantaged children from low-income families.

Pension Reserve

The pension reserve relates to the deficit on the Academy Trust's share of the Local Government Pension Scheme liability for support staff. Whilst the fund is currently in deficit, the liability is not expected to crystallise in the short-term.

Fixed assets fund

These funds relate to the Academy Trust's holding of tangible fixed assets, predominantly the buildings occupied by the Academy Trust.

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

15 Funds (continued)

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

	Balance at 1 September 2021		Gains/Losses		Balance at 31 August 2022	
	Resources	Expended	Resources	Expended	Resources	Expended
	£000	£000	£000	£000	£000	£000
Restricted general funds						
General Annual Grant (GAG)	60,364	(3,545)	(81)	77	UIFS	(97)
Pupil Premium					272	(272)
Other DfE/ESFA grants					122	(122)
Other grants and donations	180	(297)	216	99	Local Authority Grant	(335)
Pension reserve	(3,249)	(441)	3,185	(505)	(3,009)	4,469
					(5,109)	3,320
					(329)	
Restricted fixed asset funds						
Transfer on conversion	13,812	(139)	13,673	DfE/ESFA capital grants and capital expenditure from GAG	1,408	149
					(137)	74
					1,494	15,220
					149	(276)
					74	15,167
Total restricted funds	12,211	4,618	(5,385)	3,394	14,838	
Total unrestricted funds	533	365	(89)	(209)	600	
Total funds	12,744	4,983	(5,474)	3,185	15,438	

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	Total 2023	Total 2022
	£000	£000
Rayleigh Primary School	260	405
North Crescent Primary School	270	206
Wyburns Primary School	12	70
Central services	(220)	95
Total before fixed assets and pension reserve	322	776
Restricted fixed asset fund	15,033	15,167
Pension reserve		
	(505)	
Total funds	15,355	15,438

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

17 Commitments under operating leases**a) Operating Leases**

At 31 August 2023 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was: **2023**

2022**£000 £000**

Amounts due within one year 22 22

18 Reconciliation of Net Income/(expenditure) to Net Cash Inflow from Operating Activities**2023 2022****£000 £000**

Net income/(expenditure) for the reporting period (643) (491) *Adjusted for:*

Depreciation 311 275 Capital grants from DfE/ESFA and other capital income (81) (149) Defined benefit pension scheme cost less contributions payable - 441 (Increase)/decrease in debtors 64 (32) Increase/(decrease) in creditors (51) 42

Net Cash provided by / (used in) Operating Activities **(400) 86**

19 Cash flows from financing activities**2023 2022****£000 £000**

Repayments of borrowing -(4) Net cash provided by / (used in) financing activities -(4)

20 Cash flows from investing activities**2023 2022****£000 £000**

Purchase of tangible fixed assets (177) (222) Capital grants from DfE Group 81 149 Net Cash provided by / (used in) investing Activities **(96) (73)**

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

21 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.

22 Pension and Similar Obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022. Contributions amounting to £65,782 were payable to the schemes at 31 August 2023 (2022: £65,659) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 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 2020. The valuation report was published by the Department for Education on 26 October 2023. 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 £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

• the SCAPE (Superannuation Contributions Adjusted for Past Experience) rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is based on OBR's forecast for long-term GDP growth. The current SCAPE rate is 1.7% above the rate of CPI.

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

The employer's pension costs paid to TPS in the period amounted to £362,000 (2022: £489,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

22 Pension and Similar Obligations (continued)
Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £316,000 (2022: £305,000), of which employer's contributions totalled £257,000 (2022: £245,000) and employees' contributions totalled £59,000 (2022: £60,000). The agreed contribution rates for future years are 19.9% - 25.0% for employers and 5.0% - 6.5% for employees.

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

Additional disclosure should be made where the scheme is in deficit and the entity has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels, including the number of years over which it is anticipated that the additional contributions will be paid.

Principal Actuarial Assumptions

2023 2022

Rate of increase in salaries 3.9% 3.9% Rate of increase for pensions in payment/inflation 2.9% 2.9% Discount rate for scheme liabilities 5.3% 4.3%

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

2023 2022

Retiring today

Males 20.7 21.0 Females 23.2 23.5

Retiring in 20 years

Males 22.0 22.3 Females 24.6 24.9

Sensitivity analysis

2023 2022
£000 £000

Discount rate +0.1% 69 (90) Discount rate -0.1% (71) 92

Mortality assumption - 1 year increase (91) 97 Mortality assumption - 1 year decrease 89 (94)

The academy's share of the assets in the scheme were:

**2023 2022
£000 £000**

Equity instruments 1,996 1,702 Gilts 44 58 Corporate bonds - 134 Property 268 286 Cash and other liquid assets 100 91 Alternative assets 543 453 Other 478,301 Total market value of assets 3,429,3025

The actual return on scheme assets was £483,000.

45

South Essex Alliance Multi-Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

22 Pension and Similar Obligations (continued)

Amounts recognised in the statement of financial activities:

**2023 2022
£000 £000**

Current service cost - 389 Interest income 136 47 Interest cost (151) (99) Total amount recognised in the SOFA (15) 337

22 Pension and Similar Obligations (continued)

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

**2023 2022
£000 £000**

At 1 September 3,530 5,993 Current service cost 333 630 Interest cost 151 99 Employee contributions 66 59 Actuarial (gain)/loss (689) (3,225) Benefits paid (29) (64) Liabilities assumed/(extinguished) on settlements -38

At 31 August 3,362 3,530

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

**2023 2022
£000 £000**

At 1 September 3,025 2,744 Interest income 136 47 Actuarial gain/(loss) (62) (40) Employer contributions 293 256 Employee contributions 66 59 Benefits paid (29) (64) Settlement prices received/(paid) -23

At 31 August 3,429 3,025

