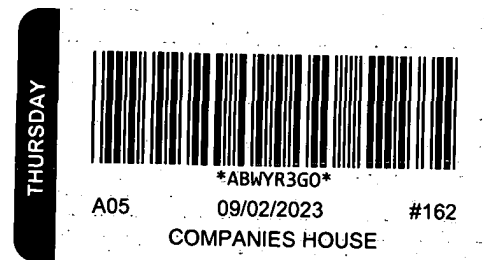


Company registration number 10479401 (England and Wales)

**SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**



# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

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# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

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### **Members**

Barbara Brigham (resigned 30 November 2022)  
Christine Coughlin  
Elizabeth Hinchliffe  
Eric Skyte (appointed 18 January 2022)  
Clive Roberts

### **Trustees**

David Blow (Accounting Officer)  
Denise Campbell (Appointed 4 October 2022)  
Deborah Chaplin  
Raymond Elgy (Resigned 7 October 2021)  
Lisa Fownes-Walpole (Resigned 1 April 2022)  
Tim Jones  
Victor Lewanski (Appointed 18 January 2022)  
Neil McClelland  
Terry McDonald  
Timothy Poole (Chair)  
Andrew Potterton  
Kirsten Riensema (Appointed 9 November 2021)  
Simon Ward  
Ian Wilson

### **Senior management team**

- Executive Headteacher (SESSET)
- Headteacher
- Headteacher
- Headteacher
- Business Manager & CFO
- Chief Operating Officer

David Blow  
Chris Panting  
James Malley  
Kerry Oakley  
Paula Stace  
Linda McCormick (from 1 September 2022)

### **Company secretary**

Linda McCormick

### **Company registration number**

10479401 (England and Wales)

### **Principal and registered office**

The Ashcombe School  
Dorking  
Surrey  
RH4 1LY  
United Kingdom

### **Academies operated**

The Ashcombe School  
Therfield School  
Carrington School

### **Location**

Dorking  
Leatherhead  
Redhill

### **Headteacher**

Chris Panting  
James Malley  
Kerry Oakley

### **Independent auditor**

Azets Audit Services  
Gladstone House  
77-79 High Street  
Egham  
Surrey  
TW20 9HY  
United Kingdom

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

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### **Bankers**

Lloyds Bank  
PO Box 1000  
Andover  
BX1 1LT  
United Kingdom

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 AUGUST 2022***

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

The academy trust operates three schools for pupils aged 11-18 serving a catchment area in South East Surrey. It has a pupil capacity of 3,939 and had a roll of 3,401 in the school census in October 2021. This has risen to 3,496 in the school census in October 2022.

#### **Structure, governance and management**

##### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The charitable company is known as South East Surrey Schools Education Trust (SESSET).

The Trustees of South East Surrey Schools Education Trust are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Legally SESSET was formed on 15th November 2016 but was an empty academy trust with no assets or income. Therfield School, The Warwick School (The Warwick School changed its name to Carrington School on 1<sup>st</sup> September 2021) and The Ashcombe School ("the Schools") joined on 1 January 2017.

##### **Members' liability**

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

##### **Trustees' indemnities**

There were no provisions required for third party indemnity. In accordance with normal commercial practice, SESSET has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on SESSET business.

##### **Method of recruitment and appointment or election of Trustees**

###### ***Members***

Members tend to have previously been affiliated with one of the Schools, usually having served as a governor and therefore have relevant knowledge and experience. Members have an overview of the governance arrangements of SESSET and have the power to appoint and remove Trustees. The Members may agree in writing to appoint additional Members as they see fit. They may also, in writing, agree to remove any such additional Members. Any Member may resign provided that after such resignation the number of Members is not less than three.

###### ***Trustees***

All Trustees have a term of office of 4 years and Members may appoint up to 12 Trustees.

Members can appoint Staff Trustees through any such process as they may determine provided that the total number of Trustees who are employees does not exceed one third of the total number of Trustees.

The Trustees may appoint Co-opted Trustees but should not co-opt an employee of the Academy Trust if it would mean the total number of Trustees who are employees would exceed a third. A Co-opted Trustee may not themselves appoint further Co-opted Trustees.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### Policies and procedures adopted for the induction and training of Trustees

SESSET employs the services of Strictly Education to provide support and training for school Governors, Trustees and Members. The training and induction provided for new Trustees and Members of individual governing bodies will depend on their existing experience and is tailored to the individual.

All new Trustees and Governors are offered a tour of the Schools and the chance to meet staff and students (Covid permitting, which has led to alternative interim arrangements). All Trustees are provided with the relevant information that they will need to undertake their role as Trustees.

#### Organisational structure

The management structure comprises:

- The Trust Board, constituted under the Trust's Articles of Association
- Trust Audit and Risk Committee
- The Trust Board serves as the Trust Finance Committee
- Carrington School Governing Body
- Therfield School Governing Body
- The Ashcombe School Governing Body
- The Headteachers of Carrington School, Therfield School and The Ashcombe School, the Executive Head of SESSET, and the Chief Financial Officer (CFO) of SESSET (who is also Business Manager of The Ashcombe School). A Chief Operating Officer was appointed on 1 September 2022.

The Board of Trustees and Senior Leadership Team are detailed on page 1 of this report.

#### **The Board of Trustees**

The Trustees make the key decisions for, and determine the general policies of SESSET and meet at least six times a year as a full Board. They receive reports from the Governing Bodies of the Schools which each meet a minimum of three times a year.

Trustees are responsible for controlling the management and administration of the Schools, in line with the Trust's Articles of Association. Trustees are responsible for directing the Trust's affairs and for ensuring that it is solvent, well-run and delivering the Trust's charitable outcomes. Each Trustee has duties as a company director and charity trustee.

#### **The Executive Headteacher**

The Executive Headteacher is the Accounting Officer with overall executive responsibility for the Trust's activities, including financial activities.

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

The Trustees volunteer their services and are, therefore, unpaid. The Senior Leadership Team of SESSET are remunerated for their roles within each school and their performance assessed according to each school's policies. The Executive Headteacher receives a very small remuneration for the performance of this role as an employee, but this is more than offset by payments to SESSET for his work for external organisations. His performance is reviewed annually by the Trustees. The part of the CFO's remuneration for and performance in her role as CFO is reviewed annually by the Trustees. The reviews are through a performance management system very similar to those operated by the schools for their Headteachers.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### Trade union facility time

#### *Relevant union officials*

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

#### *Percentage of time spent on facility time*

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

#### *Percentage of pay bill spent on facility time*

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

#### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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### Engagement with employees

A variety of methods are used to inform and consult staff on matters that will affect them. These include formal and informal meetings with the senior staff at each school where necessary.

The Trust welcomes applications for employment from disabled persons. The Trust's recruitment procedures include assessing the health needs of new employees to ensure that staff receive the appropriate support to enable them to carry out their role. The training and development opportunities provided by each of the three schools are open for applications from all staff.

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

SESSET always places much importance on its engagement with the multiple stakeholders in its schools within a local community, ranging from parents to other schools and education providers, to the local business communities.

All three schools actively engage with parents, with a welcoming and caring ethos and arranging events and ways of offering support to parents and seeking their feedback. The three schools are part of South East Surrey Secondary Heads Group, and work very collaboratively with the other secondary schools and education providers such as East Surrey College and Reigate 6<sup>th</sup> Form College, as well as for the provision of Alternative Learning Provision through Reigate Valley College, The Link and Route 4. The schools also seek to work pro-actively with Surrey C.C. in a range of areas ranging from children's services to highways and transport. Further details are given in the next section on connected organisations.

The Ashcombe School has entered into an Agreement for September 22 with the local football club, Dorking Wanderers F.C. to offer an A level study programme to some of their talented footballers. There is also an engagement with the wider community, for example through the letting of facilities for sport and leisure, work experience, Careers Fairs etc.

The Schools seek to build constructive relationships with suppliers and contractors, seeking value for money and getting ongoing engagement. They also seek additional funding and support from local benefactors for projects such as the development of sporting and arts facilities.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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### Related parties and other connected charities and organisations

Details of related parties and transactions during the year can be found in note 23 of the financial statements. The following parties operate within SESSET, but have clear and distinct functions which are a continuation from their role prior to the formation of SESSET (which extend beyond the schools in SESSET), and their funds are restricted funds. For accounting purposes, they are referred to in some of the Notes as within "Central Services", but Note 7 explains the expenditure on SESSET central administration services such as financial and HR support.

**DSP (Dorking Schools Partnership)** - this is a continuation of the existing Confederation which is funded by the schools in Dorking and South Mole Valley to coordinate a range of provision such as Educational Psychologists, CPD, SEND and Home-School Liaison Workers.

**Mole Valley (MV) 14-19 Network** - this is a continuation of the existing 14-19 Network which is funded by Surrey LA and by the schools in Mole Valley to coordinate Alternative Learning Provision (ALP), in particular, The Link, an ALP based at Surrey Youth Services centre, The Malthouse, in Dorking.

**Chatterbox Nursery** - this is a continuation of the existing day nursery provision based at the site of The Ashcombe School in its own building. Its operations are self-funding. The staff at The Ashcombe have priority use and it is open to, and used by, others in the community.

**Surrey Downs Partnership** - Surrey Downs Partnership for Schools Direct Teacher Training is a continuation of The Warwick Partnership for Schools Direct Teacher Training.

### **Objectives and activities**

#### Objects and aims

Our aim is to provide excellent learning opportunities and secure good progress in learning.

In pursuing this aim, the Multi Academy Trust framework enables us to explore models of collaboration with our partners that will benefit all our students. The need for this collaborative approach is in part driven by the reduced role that the local authority now plays in supporting local schools. The governance structure which SESSET has adopted ensures local accountability for maintaining the highest standards for all within an overall framework that constantly strives to improve those standards.

In a climate of greater independence and autonomy for schools, we wish to retain the ethos and character of each of our Schools while committing to working collaboratively to provide the best education we can to the children and young people in our community. We believe that by offering mutual support and constructive challenge across the partnership, we can ensure that learning is an enjoyable and productive experience.



# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2022***

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#### Objectives, strategies and activities

In the year to 31 August 2022, the Trust's objectives, strategies and activities have been:

1. Post covid – continued focus on engagement of pupils in their learning and participation in school life, including delivery of after school activities, sports and trips, to completion of examinations in school.
2. Supporting Heads and staff to manage impact of pandemic on student behaviour and mental health and wellbeing.
3. Development of School Improvement activities – e.g., of strong collaborative working across 3 Schools, sharing and challenging practices to the benefit of all.
4. SESSET supported Therfield School in working with ESFA and their contractors (B&K) to complete the build of the new Sports Hall as part of the Fox Grove Special Free School building project by November 2021.
5. SESSET supported Carrington School in their work with ESFA and their contractors (Kier) on a Priority Schools Building Programme 2 project which involved the replacement of the main teaching block and Sports Hall with a new building followed by demolition of the existing building and landscaping with the whole project complete in time for the 2022-23 academic year.
6. Royal Alexandra and Albert School (RAAS) – Trustees supported the interim appointment of the Executive Head and Head of Therfield as temporary joint Heads at RAAS - supporting another establishment which also provided SESSET staff development opportunities.
7. Trustees providing constructive support to local schools considering the impact of the White Paper/ Schools Bill and review SESSET's position.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Details:**

1. **Post covid engagement:** although 2021-22 did not see any further lockdowns, the Schools still had much to manage the impact of the surges in outbreaks of Covid and the impact on pupils and especially staff. With the compulsory isolation period, there were occasions where significant staff absence put intense pressure on those staff in school to cover the lessons for absent colleagues. June 2022 saw the first public exams for three years, and this was particularly difficult for those in Year 13 who had missed out on GCSEs in Year 11 in June 2020.
2. **Impact of pandemic:** all three schools put much effort into supporting pupils to regain a sense of normality, whether tentatively running some special events, such as postponed Leavers' Balls or beginning to run school trips. It was clear that the positive efforts and good relationships at the heart of the three schools paid dividends in terms of the level of pupil and parental engagement, whilst recognising that for some pupils and staff, there were lasting psychological and physical consequences from Covid and lockdown.
3. **School Improvement Plans:** benefitting from the experience of Exec Head and Head of Therfield at RAAS in its Ofsted in November 2021, and particularly the operation of the "deep dive" approach to selected curriculum subjects, we decided to pilot a Subject School Improvement Project across the three schools.
4. **Therfield Sports Hall:** this was completed with handover in December 2021, enabling the school to make full use from the start of the Spring Term both by the school in lessons and for extra-curricular, and for the community use through lettings.
5. **Carrington new build:** the buildings were all handed over at Easter 2021 allowing the demolition of the old existing building to begin. The new building has been a superb asset and has been well received by pupils and the local community, with strong numbers applying for places at the school, leading to the LA asking the school to put on an additional class for current Y7.
6. **RAAS secondment:** the Governors and Foundation Trustees were enormously grateful to the Executive Head and Head of Therfield for their work in helping to stabilise the school and support the new Head appointed ready for the new academic year in Sept 2022. The backfill process at Therfield gave opportunities to several staff, allowing some of them to gain permanent appointments for Sept 2022.
7. **Consideration of White Paper and Schools Bill:** when these were published in the Summer, many schools and trusts wanted to discuss their situation and the possibilities for the years ahead. SESSET itself continues to take a cautious approach.
8. **Other particular activities:** Ashcombe undertook a number of refurbishment projects including a cookery room, 6<sup>th</sup> Form, dining rooms and toilets in response to requests from pupils. Therfield undertook a major toilet refurbishment, with both schools drawing on the experience at Carrington.

The activities of the three schools are reported on in their websites:

<https://www.ashcombe.surrey.sch.uk>

<https://www.therfield.surrey.sch.uk/>

<https://carringtonschool.org/>

#### **Public benefit**

The Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Strategic report**

#### **Achievements and performance**

The achievements and performance of the three schools are reported on their websites:

<https://www.ashcombe.surrey.sch.uk>

<https://www.therfield.surrey.sch.uk/>

<https://carringtonschool.org>

and the DfE's Performance Tables at <https://www.compare-school-performance.service.gov.uk/>

#### **Target Achievement to 31 August 2023**

- The Trust's target is to maintain Trust reserves of £xK in line with Trust policy.
- The Trust seeks to ensure that pupils make progress in their time at the three schools.

#### **Key performance indicators**

	<b>Target</b>	<b>Achievement to 31 August 2021</b>	<b>Achievement to 31 August 2022</b>
<b>Financial:</b>	The Trust's target was to have a positive carry forward in unrestricted income funds.	The Trust achieved a positive carry forward of £1,253k in the period ending 31st August 2021.	The Trust achieved a positive carry forward of £1,740k in the period ending 31st August 2022.
<b>Academic performance:</b>	The Trust seeks to ensure that pupils make progress in their time at the three schools.	Because of the Covid pandemic, exams did not take place in June 2021, and all performance measures were cancelled.	For two of the schools for Y11 in June 2022, the school is in DfE "average" band for Progress 8. The other continues to make progress in line with the Ofsted Action Plan, as confirmed by external National Leader of Education monitoring visit in Sept 2022.

#### **Going concern**

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

#### **Protecting the success of the academy trust**

For the schools in SESSET, success has many aspects, and these are exemplified in the Strategic Intent, which include giving students:

- a safe, appropriate, inclusive, welcoming and supportive learning environment, and
- a broad, balanced curriculum that matches the needs and aspirations of our students.

In addition, SESSET seeks to:

- Support and sustain the individual, inclusive ethos of each school, so as to allow them to best serve their local community within the context of SESSET, and support wider partnership with other Trusts and schools
- Maintain high levels of financial control and probity, and governance
- Provide a good working environment for our staff, and ensure that we invest in our staff through the provision of continued professional development and support, and that staff members are treated with respect and compassion.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### **Financial review**

The majority of SESSET's revenue income is obtained from the ESFA in the form of recurring grants, principally the General Annual Grant (GAG), which amounted to £18,644k (2021: £17,228k) for the year. The grants received from the ESFA during the year to 31 August 2022 and the associated expenditure are shown in the Statement of Financial Activities.

Capital Grants awarded to the schools by the ESFA to provide fixed assets comprised the Devolved Formula Capital Grant (DFC), which amounted to £70k (2021: £69k) and Condition Improvement Funding (CIF) of £1,308k (2021: £191k) for specific projects. Other capital funding included £3,574k (2021: £90k) represented the donation of assets to the Trust and £207k (2021: £nil) relating to the Salix Decarbonisation Project.

In accordance with the Charities SORP, capital grants received are shown in the Statement of Financial Activities as restricted fixed asset funds.

The General Annual Grant (GAG) received from the ESFA and other income, such as voluntary income and activities for generating funds, fell short of operating expenditure (excluding pension adjustments and depreciation) by £835k (2021: exceeded operational expenditure by £549k) in the year.

#### **Reserves policy**

In line with SESSET's Reserves Policy, the Trustees are aware of the requirement to balance current and future needs to maintain the future strength and viability of each school. As such, the Trustees review the reserve levels of SESSET annually. This review encompasses the nature of income and expenditure streams.

On 31 August 2022 SESSET held the following Reserves:

Unrestricted Income Funds £1,740k (2021: £1,253k)  
Restricted General Funds £nil (2021: £227k)  
Restricted Fixed Asset Funds £58,305k (2021: £56,081k)  
Restricted Pension Reserve (£3,012k) (2021: £(10,567k))  
Reserves at 31 August 2022 £57,033k (2021: £46,994k)

The restricted funds will be spent in accordance with the terms of the particular funds.

Free reserves represent income to SESSET which is to be spent at the Trustees' discretion in furtherance of any of SESSET's objects but which is not yet spent, committed or designated.

As at 31 August 2022, SESSET held free reserves of £1,740k (2021: £1,253k); this represents the Unrestricted General Funds and comfortably exceeds the target level set by Trustees.

The Trust's support staff are entitled to membership of the Local Government Pension Scheme (LGPS). The Trust's share of the scheme's assets is currently assessed to be less than its liabilities in the scheme and consequently the Trust balance sheet shows a net liability of £3,012k (2021: £10,567k).

This deficit is not an immediate liability of the Trust. As highlighted in note 2 the fund has been independently assessed in the spring of 2020 and advised increasing the employer contributions from 19.1% to 22% p.a.

#### **Investment policy**

Trustees may invest to further the Trust's charitable aims, ensuring that investment risk is properly managed. When considering making an investment they will act within their powers to invest as set out in their Articles of Association, control and track their financial exposure, and ensure value for money.

SESSET does not currently hold any investments.

#### **Principal risks and uncertainties**

The major risks facing SESSET have been identified and reviewed by the Trustees. The Audit and Risk Committee established a Risk Register and a Risk Management Framework which are reviewed regularly and inform the internal scrutiny programme.

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The key risks identified were:

Category	Risk	Description of risk	Strategies for managing risk
<b>Strategic</b>	Staff recruitment	Not being able to recruit and retain high quality staff to ensure quality of teaching	1. Develop and publicise the support we offer to teaching staff, including making provision in our admissions policy for the children of staff. 2. Sustain and develop Surrey Downs Partnership for training teachers.
<b>Funding:</b>	The effect of reduced funding	Detrimental effect of funding cuts on learning, including fewer resources, reduced premises maintenance, impact on class sizes, risk of staff leaving	1. Careful budget management and use of Integrated Curriculum Finance Planning for effective coordination and planning ahead of each academic and financial year 2. Monitor progress of the national funding formula 3. Maintain careful cashflow management
<b>Compliance</b>	Safeguarding  Other legislation and regulations	Inadequate or ineffective safeguarding arrangements, compromising student and staff welfare  Failure to comply with legislative requirements (GDPR, health and safety, etc) resulting in fines, penalties or censure, legal action, reputational damage	1. Codes of Conduct and regular, compulsory safeguarding training for Trustees, Governors and staff to understand Keeping Children Safe In Education statutory guidance 2. Child Protection and Whistleblowing policies 3. Safeguarding Audit  1. Scrutiny at governance level by Governors and Trustees with statutory policies and procedures regularly reviewed 2. Use of Service Level Agreements for professional advice (HR, payroll, health and safety)
<b>Cyber security:</b>	Ransomware attack or other breach	Business interruption (loss of access to email, files stored on local or Office 365), data security breach or financial loss	1. Proactive cybersecurity awareness training 2. IT and internet security protocols under constant review 3. Thorough backup strategy min 3-2-1 4. Use of the National Cyber Security Centre advice and guidance for schools

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key risks continued:

Category	Risk	Description of risk	Strategies for managing risk
Covid pandemic	Contracting Covid  Lost learning and impact on mental health	Staff and students test positive for Covid and consequent illness  Time out of the classroom and impact on mental health of both specific individual and wider wellbeing	1. Specific Covid plans prepared (including some individual risk assessment) and actioned to mitigate the risks of contracting and spreading Covid 2. Use available grants to support students both individually and in groups

### Financial and risk management objectives and policies

#### Fundraising

Students in the three Schools undertake fundraising for charities, to support their trips and to finance events they run on behalf of the local community. These events are overseen by staff in the Schools, some of whom also write bids for funding school equipment. Where bids are successful, all information and reporting requirements attached to the bid are complied with.

#### Streamlined energy and carbon reporting

	2022 kWh	2021 kWh
Energy consumption		
Aggregate of energy consumption in the year	4,053,873	4,305,185
	2022 metric tonnes	2021 metric tonnes
Emissions of CO2 equivalent		
Scope 1 - direct emissions		
- Gas combustion	491.44	601.37
- Fuel consumed for owned transport	3.65	1.37
	495.09	602.74
Scope 2 - indirect emissions		
- Electricity purchased	215.49	180.16
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust	0.69	0.12
	711.27	783.02
Total gross emissions		
Intensity ratio		
Tonnes CO2e per pupil	0.21	0.24

#### Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Where electricity has been generated by owned or controlled renewable sources (i.e. solar panels), this has been accounted for as zero emissions in Scope 1. Where electricity has been exported back to the grid by owned or controlled renewable sources, this has been netted off the total for the year.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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#### *Intensity measurement*

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

#### *Measures taken to improve energy efficiency*

In the year 2021/2022, the new school buildings at Carrington School were predicted to lead to reductions in both gas and electricity consumption. Predictions were for a 10% drop in both gas and electricity usage. In practice, gas consumption dropped a good deal more than predictions whilst electricity increased as gas boilers were replaced with renewable energy. The Academy's intensity ratio dropped noticeably as a result, both on base year and previous year.

Recorded Emission Savings				
		Base year	Recorded change (kWh)	tCO2e
Projected Emission Changes	Scope	2018/2019	2021/2022	
Gas Consumption	1	1,101,518	-418,043	-80.84
Electrical consumption	2	241,598	+164,590	31.83
TOTALS	4	1,672,100.00	-253,453	-43.42

A Public Sector Decarbonisation Scheme project to reduce to consumption of gas at The Ashcombe School through the replacement of end of life gas boilers with air source heat pumps did not proceed due to issues with electrical capacity at the site which is being investigated.

#### **Targets for 2022/23**

The Trust has also completed a project at Therfield School replacing old radiators with new, improving insulation and zoning. An estimate for emissions savings as a result of this project would be iro 10% on the base year.

The Ashcombe School is working through CIF to upgrade outdated electrical infrastructure across the School including replacement of emergency lighting with LED luminaires. Should the bid be successful the school would predict emissions savings to be minimal in the year 2022/2023, but iro of 15% in the following year.

Other key measures include:

1. Working with the DfE to secure funding for a feasibility study and decarbonisation works at The Ashcombe School.
2. Continuing to look at opportunities to replace all remaining fluorescent lights with LED luminaires across all Schools.
3. Continuing to procure all electricity on a green tariff as soon as the contractual opportunities arise.
4. It is anticipated that the new build at The Carrington School will continue to lead to noticeable reductions in emissions through low carbon energy systems and improvements to lighting.
5. Looking at designing a model energy policy, agreed by senior management which can be rolled out to all staff. Included in this will be an energy strategy and action plan for implementation, to significantly reduce emissions by 2035. This will commence in 2022/3 with a detailed energy audit.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Plans for future periods**

#### **1. SESSET Subject School Improvement Project**

The Schools and Trustees have agreed to increase the top slice by 0.1% to fund the subject project for the next 12 months. This will cover the costs for leadership by the Head of Therfield, drawing on his Ofsted experience and of running the pilot and for senior leads at the other two schools. Five subjects will be done in the year, one every half-term except exam half-term in the summer, beginning with English. If the project is successful, then it could be continued into following years

#### **2. Carrington and Ofsted**

Carrington School continues to prepare for its next Ofsted inspection which is very likely to be in 2022-23 in light of the timeline given by Ofsted for follow-up inspections to Requires Improvement schools. As part of the support from the DfE, a Covid-delayed external National Leader of Education (NLE) review took place in September 2022 in addition to ongoing reviews by the SESSET School Improvement Trustee. The feedback was very positive, and the school will implement their recommendations for further improvement.

#### **3. External Review of SESSET Governance and Operation**

It is good practice to undertake an external review of governance, an approach supported by ATH and the Regional Schools Commissioner's Office. This will take place in the Autumn and Spring Terms, linking with the annual Joint Trustee and Governor Development session in February.

#### **4. Succession Planning**

Ensure process is in place to plan for the succession of the senior staff of SESSET to give reassurance about the long-term sustainability of SESSET.

#### **5. Estate Management**

All 3 schools will continue to seek to improve and maintain their estates (premises and surrounding areas), including possibly making CIF bids by the deadline of December 2022, which may include the re-submission of revised bids which were unsuccessful in the previous round.

#### **6. Carrington School, Woodfield School and Surrey SEND project**

Carrington School will be going out to public consultation on a plan to use the separate building at the South of the site by the Noke Drive Entrance as a hub for 8 pupils from Woodfield School (a special school for pupils with moderate learning difficulties) as part of Surrey's SEND capital project to increase the capacity for SEND places. Surrey would then build replacement specialist accommodation at a different location on the site next to existing buildings, greatly helping the running of the school.

#### **7. Financial situation**

Reserves are around £1,740k representing around 8% out of annual income of around £21.4m. It is important that schools seek to achieve a balanced in-year budget in the long-term, recognising that in some years such as 22-23 there will be sudden cost increases (energy, unfunded teachers' pay award) without an increase in income.

#### **Funds held as custodian trustee on behalf of others**

SESSET holds no Assets and Funds as Custodian Trustee on behalf of others.



# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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### **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.

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 07 December 2022 and signed on its behalf by:



Timothy Poole  
**Chair**

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **GOVERNANCE STATEMENT**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Scope of responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between South East Surrey Schools Education Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### **Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
David Blow (Accounting Officer)	6	6
Denise Campbell (Appointed 4 October 2022)	0	0
Deborah Chaplin	3	6
Raymond Elgy (Resigned 7 October 2021)	0	1
Lisa Fownes-Walpole (Resigned 1 April 2022)	2	4
Tim Jones	4	6
Victor Lewanski (Appointed 18 January 2022)	2	4
Neil McClelland	6	6
Terry McDonald	2	6
Timothy Poole (Chair)	6	6
Andrew Potterton	6	6
Kirsten Rienzeema (Appointed 9 November 2021)	5	5
Simon Ward	6	6
Ian Wilson	5	6

In considering the appointment of the new Trustees, Members review their skills and experiences with the aim of ensuring there continues to be breadth and depth in the Trustee knowledge base. SESSET is benefitting from the fresh perspectives and additional skill sets the new Trustees are bringing.

In summer 2022 Trustees completed a self-evaluation of their effectiveness, including an audit of skills aimed at identifying any potential gaps in knowledge and/or experience. The board effectiveness review was based around the National Governance Association's (NGA) "21 Key Questions a MAT board should ask itself". This review confirmed Trustees confidence in the effectiveness of the composition and structure of the board and the governance responsibilities delegated to, and reported on, by schools' governing bodies. Each school is directly represented on the board by a Link Trustee Governor and the board effectiveness review highlighted the importance of this role in ensuring Trustees are fully informed and retain strong oversight of operations and schools' performance. One outcome of the review was the need to highlight and clarify the Link Trustee Governor role in the Scheme of Delegation, and review and update the induction material provided to new Trustees and Members. This has since been completed.

In 2022-23, SESSET will undertake an external review of its governance and operation, and will link with the annual joint Trustees and Governors Development session in February.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Conflicts of interest**

In order to avoid conflicts of interest arising, the Trust and academies maintain and publish up to date registers of business and pecuniary interests. An annual declaration of interests is signed by all Members, Trustees and Governors and at Board and Governing Body meetings, attendees are reminded of the requirement to declare any personal conflict of interest at the beginning of the meeting and to leave the meeting during any related discussions.

### **Governance reviews**

#### **Finance governance**

The Board continued with the same finance governance as in the previous year, looking at financial reporting as a whole, in keeping with the integrated curriculum, staffing and financial operation putting the SESSET ethos into practice.

#### **Other self-evaluation outcomes**

The Safeguarding Group met to review the policies, and update them in line with latest guidance.

### **Audit & Risk Committee**

The audit & risk committee is a sub-committee of the main Board of Trustees. It was set up in October 2019, and its remit and Terms of Reference were based on the Academy Financial Handbook, Academy Accounts Direction, ESFA Guidance "Internal Scrutiny in Academy Trusts" and "Academy Trust Risk Management". Its responsibility is to exercise oversight of the Academy Trust's (AT's) financial, governance, risk management and internal control systems, and to report its findings termly and annually to the Trust Board and the Accounting Officer as a critical element of the AT's annual reporting requirements.

Attendance at meetings in the year is given below.

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Deborah Chaplin	3	3
Timothy Poole (Chair)	3	3
Andrew Potterton	3	3
Kirsten Riensema (Appointed 9 November 2021)	3	3

### **Review of value for money**

As Accounting Officer the Executive Headteacher has responsibility for ensuring that SESSET 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 SESSET's use of its resources has provided good value for money this academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for SESSET has delivered improved value for money during the year by:

- reviewing contracts on renewal, resulting, in some cases, in proposed price increases being managed to ensure continuing value for money, in others cost savings have been made, in particular in printing and in others, investment contributions have been made by suppliers to further the service levels
- disseminating a list prepared by the CFO of the "soft collaboration" on financial and estates between the three schools, whereby significant benefit has been gained by the sharing of knowledge or gaining leverage with the potential for multiple schools to have a contract with the same supplier
- internal processes continue to be reviewed to ensure effective deployment of staff

In line with best practice the external auditor contract was reviewed for value for money. Trustees reviewed the options and recommended the re-appointment of Azets Audit Services to Members in 2021-22 for 3 years.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **The purpose of the system of internal control**

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

### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which SESSET is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing SESSET's significant risks that has been in place for the year to 31 August 2022 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the individual school Governor Committees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks;
- use of integrated financial management software across all three schools with tightly specified authorisation and controls incorporated, which were reviewed and checked during the year.

One of the roles of the Audit and Risk Committee is to oversee the work of the internal scrutiny group.

As in previous years there has been a thorough internal scrutiny of risk controls and process with particular focus on key risks identified in the risk register. These included IT and GDPR risks that were investigated by the internal scrutiny governors and discussed with Heads and school Business Managers.

The remit of the Internal Scrutiny group visits this year was focussed on financial risk controls, with in person reviews and testing of payroll and appointments, and purchasing and payments processes, as well as discussion of an enhanced Pre Visit Questionnaire, for which this year the questions had been expanded into more open-ended questions in order to promote a deeper discussion. The assessment of non-financial risk management was performed by the Audit & Risk Committee's scrutiny of governing body and committee meeting papers.

SESSET and its Audit and Risk Committee can confirm that the internal scrutiny group has delivered its schedule of work as planned, that there have been no material control issues arising, and that the Schools have responded to the findings in the internal scrutiny report.

### **Review of effectiveness**

As Accounting Officer the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the internal scrutiny group
- the work of the external auditor
- the financial management and governance self-assessment process

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

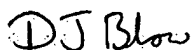
## **GOVERNANCE STATEMENT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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

Approved by order of the Board of Trustees on 07 December 2022 and signed on its behalf by:



David Blow  
**Accounting Officer**



Timothy Poole  
**Chair**

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

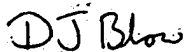
***FOR THE YEAR ENDED 31 AUGUST 2022***

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

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

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



David Blow  
**Accounting Officer**

07 December 2022

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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The trustees (who are also the directors of South East Surrey Schools Education Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Trustees are required to:

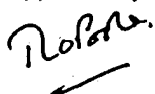
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 07 December 2022 and signed on its behalf by:



Timothy Poole  
Chair

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Opinion**

We have audited the accounts of South East Surrey Schools Education Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 accounts and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.



# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH EAST SURREY SCHOOLS EDUCATION TRUST (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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

In the 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 Trustees' report, including the incorporated strategic report.

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

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

### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the Trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH EAST SURREY SCHOOLS EDUCATION TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

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

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH EAST SURREY SCHOOLS EDUCATION TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Use of our report**

This report is made solely to the academy trust's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act. 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 anyone other than the academy trust and the academy trust's Members as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services*

**Paul Creasey (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services**

8 December 2022

**Chartered Accountants**  
**Statutory Auditor**

Gladstone House  
77-79 High Street  
Egham  
Surrey  
United Kingdom  
TW20 9HY

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTH EAST SURREY SCHOOLS EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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In accordance with the terms of our engagement letter dated 22 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by South East Surrey Schools Education Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of South East Surrey Schools Education Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of South East Surrey Schools Education Trust's funding agreement with the Secretary of State for Education dated 22 December 2016 and the Academies Financial Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTH EAST SURREY SCHOOLS EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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### **Conclusion**

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

*Azets Audit Services*

### **Reporting Accountant**

Azets Audit Services

Gladstone House

77-79 High Street

Egham

Surrey

TW20 9HY

United Kingdom

Dated: 08 December 2022

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2022 £'000	Total 2021 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	171	3	5,159	5,333	440
Charitable activities:						
- Funding for educational operations	4	854	21,106	-	21,960	20,663
Other trading activities	5	292	-	-	292	169
<b>Total</b>		<u>1,317</u>	<u>21,109</u>	<u>5,159</u>	<u>27,585</u>	<u>21,272</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	8	830	23,660	1,840	26,330	22,837
<b>Total</b>	6	<u>830</u>	<u>23,660</u>	<u>1,840</u>	<u>26,330</u>	<u>22,837</u>
<b>Net income/(expenditure)</b>		487	(2,551)	3,319	1,255	(1,565)
Transfers between funds	16	-	1,095	(1,095)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	8,784	-	8,784	(1,550)
<b>Net movement in funds</b>		487	7,328	2,224	10,039	(3,115)
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>1,253</u>	<u>(10,340)</u>	<u>56,081</u>	<u>46,994</u>	<u>50,109</u>
Total funds carried forward		<u>1,740</u>	<u>(3,012)</u>	<u>58,305</u>	<u>57,033</u>	<u>46,994</u>

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	33	1	406	440
Charitable activities:					
- Funding for educational operations	4	300	20,363	-	20,663
Other trading activities	5	169	-	-	169
<b>Total</b>		<u>502</u>	<u>20,364</u>	<u>406</u>	<u>21,272</u>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	8	435	20,717	1,685	22,837
<b>Total</b>	6	<u>435</u>	<u>20,717</u>	<u>1,685</u>	<u>22,837</u>
<b>Net income/(expenditure)</b>		67	(353)	(1,279)	(1,565)
Transfers between funds	16	(1)	(255)	256	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	18	-	(1,550)	-	(1,550)
<b>Net movement in funds</b>		66	(2,158)	(1,023)	(3,115)
<b>Reconciliation of funds</b>					
Total funds brought forward		1,187	(8,182)	57,104	50,109
Total funds carried forward		<u>1,253</u>	<u>(10,340)</u>	<u>56,081</u>	<u>46,994</u>

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2022

		2022	2021
	Notes	£'000	£'000
<b>Fixed assets</b>			
Tangible assets	12	57,830	55,699
<b>Current assets</b>			
Debtors	13	976	684
Cash at bank and in hand		3,311	2,932
		4,287	3,616
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	14	(2,072)	(1,754)
<b>Net current assets</b>		2,215	1,862
<b>Net assets excluding pension liability</b>		60,045	57,561
Defined benefit pension scheme liability	18	(3,012)	(10,567)
<b>Total net assets</b>		57,033	46,994
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>	16		
- Fixed asset funds		58,305	56,081
- Restricted income funds		-	227
- Pension reserve		(3,012)	(10,567)
<b>Total restricted funds</b>		55,293	45,741
<b>Unrestricted income funds</b>	16	1,740	1,253
<b>Total funds</b>		57,033	46,994

The accounts on pages 28 to 53 were approved by the Trustees and authorised for issue on 07 December 2022 and are signed on their behalf by:



Timothy Poole  
Chair

Company registration number 10479401



# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £'000	£'000	2021 £'000	£'000
<b>Cash flows from operating activities</b>					
Net cash (used in)/provided by operating activities	19		(809)		981
<b>Cash flows from investing activities</b>					
Capital grants from DfE Group		1,378		260	
Capital funding received from sponsors and others		207		56	
Purchase of tangible fixed assets		(397)		(510)	
Proceeds from sale of tangible fixed assets		-		1	
<b>Net cash provided by/(used in) investing activities</b>			<b>1,188</b>		<b>(193)</b>
<b>Net increase in cash and cash equivalents in the reporting period</b>			<b>379</b>		<b>788</b>
Cash and cash equivalents at beginning of the year			2,932		2,144
<b>Cash and cash equivalents at end of the year</b>			<b>3,311</b>		<b>2,932</b>

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **1 Accounting policies**

South East Surrey Schools Education Trust is a charitable company, limited by guarantee and registered in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

#### **1.1 Basis of preparation**

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### **1.2 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the 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 accounts.

#### **1.3 Income**

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

##### Grants

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

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

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

##### 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.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

### **1 Accounting policies**

**(Continued)**

#### Donated fixed assets

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

#### **1.4 Expenditure**

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

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

All resources expended are inclusive of irrecoverable VAT.

#### 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.

#### **1.5 Tangible fixed assets and depreciation**

Assets costing £1,000 or more (or groups of assets exceeding £3,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Buildings	50 years
Leasehold improvements	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years
Motor vehicles	5 years

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

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **1 Accounting policies**

**(Continued)**

#### **1.6 Liabilities**

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

#### **1.7 Leased assets**

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

#### **1.8 Financial instruments**

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

##### Financial assets

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

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

##### Financial liabilities

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

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

#### **1.9 Taxation**

The 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 chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **1.10 Pensions benefits**

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

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

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2022**

---

### **1 Accounting policies**

**(Continued)**

#### **1.11 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.

#### **1.12 Agency arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administrative costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 25.

### **2 Critical accounting estimates and areas of judgement**

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

For the purpose of these financial statements, the land and buildings have been valued using valuations provided by the ESFA.

#### Critical areas of judgement

No judgements have been made in determining the amounts reported in the financial statements.

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Donated fixed assets	-	3,574	3,574	90
Capital grants	-	1,585	1,585	260
Other donations	171	3	174	90
	<u>171</u>	<u>5,162</u>	<u>5,333</u>	<u>440</u>

A new Sports Hall was constructed at Therfield School during the year. The project was managed and funded by the ESFA. The donation in kind figure of £3.574 million represents the Trust's best estimate of the fair value of the building on completion.

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	18,644	18,644	17,228
Other DfE / ESFA grants:				
Pupil premium	-	515	515	500
Teachers pension grants	-	76	76	661
Teachers pay grants	-	27	27	234
Schools supplementary grants	-	230	230	-
Others	-	172	172	136
	-	19,664	19,664	18,759
<b>Other government grants</b>				
Local authority grants	-	870	870	775
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up premium	-	-	-	241
Other DfE/ESFA COVID-19 funding	-	111	111	68
	-	111	111	309
<b>COVID-19 additional funding (non-DfE/ESFA)</b>				
Coronavirus job retention scheme grant	-	-	-	8
Other Coronavirus funding	-	53	53	124
	-	53	53	132
<b>Other funding</b>				
Other incoming resources	854	408	1,262	688
<b>Total funding</b>	<b>854</b>	<b>21,106</b>	<b>21,960</b>	<b>20,663</b>

The academy trust received £nil (2021: £240,520) of Covid Catch-up Premium funding and held £130,943 (2021: £nil) at the beginning of the year. Of this, £130,943 (2021: £109,577) was spent in the year, with the remaining £nil (2021: £130,943) to be spent in 2022/23.

During the prior year, the academy trust furloughed some of its Chatterbox Nursery staff under the government's CJRS. The funding received of £nil (2021: £7,650) relates to staff costs in respect of Chatterbox Nursery staff which are included within note 10 below as appropriate.

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Hire of facilities	292	-	292	169

### 6 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2022 £'000	Total 2021 £'000
Academy's educational operations					
- Direct costs	15,439	1,527	1,882	18,848	17,586
- Allocated support costs	3,003	3,645	834	7,482	5,251
	18,442	5,172	2,716	26,330	22,837

#### Net income/(expenditure) for the year includes:

	2022 £'000	2021 £'000
Fees payable to auditor for:		
- Audit	24	23
- Other services	3	3
Depreciation of tangible fixed assets	1,839	1,685
Net interest on defined benefit pension liability	182	144

### 7 Central services

The academy trust has taken a top-slice of 5% to cover central services such as HR and financial support, but in keeping with the model of delegation, most of these have been delivered locally under the overall supervision of the Executive Head and CFO. Therefore, the 3 schools have received 4.4% back, leaving a net central service cost of 0.6%. The contributions are calculated according to the GAG funding for each school.

The amounts charged during the year were as follows:

	2022 £'000	2021 £'000
The Ashcombe School	47	37
Therfield School	33	25
Carrington School	32	26
	112	88



# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 8 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
<b>Direct costs</b>				
Educational operations	825	18,023	18,848	17,586
<b>Support costs</b>				
Educational operations	5	7,477	7,482	5,251
	<u>830</u>	<u>25,500</u>	<u>26,330</u>	<u>22,837</u>
			<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Analysis of support costs</b>				
Support staff costs			3,003	2,574
Depreciation			313	230
Technology costs			30	85
Premises costs			3,332	1,654
Legal costs			186	167
Other support costs			588	518
Governance costs			30	23
			<u>7,482</u>	<u>5,251</u>

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2022 £'000	2021 £'000
Wages and salaries	12,842	12,519
Social security costs	1,369	1,279
Pension costs	3,980	3,475
Staff costs - employees	18,191	17,273
Agency staff costs	238	71
Staff restructuring costs	13	-
	18,442	17,344
Staff development and other staff costs	211	182
Total staff expenditure	18,653	17,526

Staff restructuring costs comprise:

Redundancy payments	3	-
Severance payments	10	-
	13	-

#### Severance payments

The academy trust paid 2 severance payments in the year, disclosed in the following bands:

0 - £25,000	2
-------------	---

#### Special staff severance payments

Included in staff restructuring costs are two special severance payments totalling £10,000 (2021: £nil). The individual payments were £5,000 each.

#### Staff numbers

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

	2022 Number	2021 Number
Teachers	265	255
Administration and support	163	172
Management	6	5
	434	432

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 9 Staff

(Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

	2022 Number	2021 Number
Teachers	241	220
Administration and support	121	111
Management	5	4
	<u>367</u>	<u>335</u>

#### Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	11	11
£70,001 - £80,000	4	5
£80,001 - £90,000	-	1
£90,001 - £100,000	3	3
£120,000 - £130,000	1	-
	<u></u>	<u></u>

#### 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 key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £525,249 (2021: £476,292).

### 10 Trustees' remuneration and expenses

No trustees have been paid remuneration during the year.

The value of Trustees' remuneration and other benefits in comparison to the prior year was as follows:

#### D Blow (Executive Headteacher)

- Remuneration £Nil - £5,000 (2021: £Nil - £5,000)
- Employer's Pension Contributions £Nil - £5,000 (2021: £Nil - £5,000)

One trustee received reimbursed expenses in the year ended 31 August 2022 of £299 (2021: £Nil expenses refunded).

### 11 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 12 Tangible fixed assets

	Buildings	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 September 2021	59,445	1,535	814	282	56	62,132
Additions	-	3,574	158	207	32	3,971
At 31 August 2022	59,445	5,109	972	489	88	66,103
<b>Depreciation</b>						
At 1 September 2021	5,700	72	512	101	48	6,433
Charge for the year	1,425	102	211	88	14	1,840
At 31 August 2022	7,125	174	723	189	62	8,273
<b>Net book value</b>						
At 31 August 2022	52,320	4,935	249	300	26	57,830
At 31 August 2021	53,745	1,463	302	181	8	55,699

The net book value of land and buildings comprises:

	2022 £'000	2021 £'000
Long leaseholds (over 50 years)	52,320	53,745

The sites of the three schools have been leased by the Trust from Surrey County Council. The lease period for all three sites is 125 years at a peppercorn rent.

The Carrington school site has undergone extensive works during the year. An updated ESFA valuation of the site is expected to be issued in 2022-23.

### 13 Debtors

	2022 £'000	2021 £'000
Trade debtors	35	29
VAT recoverable	265	147
Other debtors	23	17
Prepayments and accrued income	653	491
	976	684

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

	2022 £'000	2021 £'000
Trade creditors	357	470
Other taxation and social security	333	306
ESFA creditors	41	-
Other creditors	358	352
Accruals and deferred income	983	626
	<u>2,072</u>	<u>1,754</u>

### 15 Deferred income

	2022 £'000	2021 £'000
Deferred income is included within:		
Creditors due within one year	<u>335</u>	<u>246</u>
Deferred income at 1 September 2021	246	159
Released from previous years	(246)	(159)
Resources deferred in the year	<u>335</u>	<u>246</u>
<b>Deferred income at 31 August 2022</b>	<u><b>335</b></u>	<u><b>246</b></u>

Deferred income comprises grant income received in advance and deposits held for trips taking place during the 2022-23 academic year.

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 16 Funds

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	18,644	(19,739)	1,095	-
Pupil premium	-	515	(515)	-	-
Catch-up premium	131	-	(131)	-	-
Other DfE/ESFA COVID-19 funding	14	111	(125)	-	-
Other DfE/ESFA COVID-19 funding	82	53	(135)	-	-
Other DfE/ESFA grants	-	172	(172)	-	-
Other government grants	-	870	(870)	-	-
Teachers' pay grant	-	27	(27)	-	-
Teachers' pension grant	-	76	(76)	-	-
Schools supplementary grant	-	230	(230)	-	-
Other restricted funds	-	411	(411)	-	-
Pension reserve	(10,567)	-	(1,229)	8,784	(3,012)
	<u>(10,340)</u>	<u>21,109</u>	<u>(23,660)</u>	<u>9,879</u>	<u>(3,012)</u>
<b>Restricted fixed asset funds</b>					
Fixed asset fund	55,699	-	(1,840)	3,971	57,830
DfE group capital grants	382	1,585	-	(1,492)	475
Donated fixed assets	-	3,574	-	(3,574)	-
	<u>56,081</u>	<u>5,159</u>	<u>(1,840)</u>	<u>(1,095)</u>	<u>58,305</u>
<b>Total restricted funds</b>	<u>45,741</u>	<u>26,268</u>	<u>(25,500)</u>	<u>8,784</u>	<u>55,293</u>
<b>Unrestricted funds</b>					
General funds	<u>1,253</u>	<u>1,317</u>	<u>(830)</u>	<u>-</u>	<u>1,740</u>
<b>Total funds</b>	<u>46,994</u>	<u>27,585</u>	<u>(26,330)</u>	<u>8,784</u>	<u>57,033</u>

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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### **16 Funds**

**(Continued)**

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Trust. Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Other DfE/ESFA grants: This includes all other funding received from the ESFA and DfE, excluding capital grants.

Other government grants: This includes all funding received from Surrey County Council and grants from other government bodies.

Other restricted funds: This includes all non-grant restricted income, including donations to the laptop fund.

During the year, CIF funding of £1,258,190 was spent on flat-roof refurbishments and distribution pipeworks & emitters at various schools. This expenditure has been recorded through the GAG fund and the income recorded through the DfE Group capital grants fund. A transfer has therefore been made to match the income and expenditure through the same fund.

Other transfers represent revenue contributions to capital.

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 16 Funds

(Continued)

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

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	17,228	(16,973)	(255)	-
Pupil premium	-	500	(500)	-	-
Other DfE/ESFA grants	-	136	(136)	-	-
Local authority grants	-	775	(775)	-	-
Catch-up premium	-	241	(110)	-	131
Other DfE/ESFA COVID-19 funding	-	68	(54)	-	14
Coronavirus job retention scheme grant	-	8	(8)	-	-
Other non DfE/ESFA COVID- 19 funding	-	124	(42)	-	82
Teachers' pay grant	-	234	(234)	-	-
Teachers' pension grant	-	661	(661)	-	-
Other restricted funds	-	389	(389)	-	-
Pension reserve	(8,182)	-	(835)	(1,550)	(10,567)
	<u>(8,182)</u>	<u>20,364</u>	<u>(20,717)</u>	<u>(1,805)</u>	<u>(10,340)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	56,785	-	(1,685)	599	55,699
DfE group capital grants	319	260	-	(197)	382
Donated fixed assets	-	146	-	(146)	-
	<u>57,104</u>	<u>406</u>	<u>(1,685)</u>	<u>256</u>	<u>56,081</u>
<b>Total restricted funds</b>	<u>48,922</u>	<u>20,770</u>	<u>(22,402)</u>	<u>(1,549)</u>	<u>45,741</u>
<b>Unrestricted funds</b>					
General funds	<u>1,187</u>	<u>502</u>	<u>(435)</u>	<u>(1)</u>	<u>1,253</u>
<b>Total funds</b>	<u>50,109</u>	<u>21,272</u>	<u>(22,837)</u>	<u>(1,550)</u>	<u>46,994</u>



# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 16 Funds

(Continued)

#### Total funds analysis by academy

	2022 £'000	2021 £'000
Fund balances at 31 August 2022 were allocated as follows:		
The Ashcombe School	519	487
Therfield School	618	585
Carrington School	255	88
Central services	348	320
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	1,740	1,480
Restricted fixed asset fund	58,305	56,081
Pension reserve	(3,012)	(10,567)
	<hr/>	<hr/>
Total funds	57,033	46,994
	<hr/>	<hr/>

#### Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2022 £'000	Total 2021 £'000
The Ashcombe School	6,205	684	691	1,411	8,991	8,243
Therfield School	4,429	604	654	2,040	7,727	6,103
Carrington School	4,547	587	485	600	6,219	6,375
Central services	258	80	55	(69)	324	373
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	15,439	1,955	1,885	3,982	23,261	21,094
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The costs and fund balances quoted above for the Trust's Central services include all income and expenditure relating to the Chatterbox Nursery, Dorking Schools Partnership, Surrey Downs Partnership and the 14-19 Network.

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 17 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	57,830	57,830
Current assets	3,812	-	475	4,287
Current liabilities	(2,072)	-	-	(2,072)
Pension scheme liability	-	(3,012)	-	(3,012)
<b>Total net assets</b>	<b>1,740</b>	<b>(3,012)</b>	<b>58,305</b>	<b>57,033</b>

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	55,699	55,699
Current assets	3,007	227	382	3,616
Current liabilities	(1,754)	-	-	(1,754)
Pension scheme liability	-	(10,567)	-	(10,567)
<b>Total net assets</b>	<b>1,253</b>	<b>(10,340)</b>	<b>56,081</b>	<b>46,994</b>

### 18 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 Surrey County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £341,838 were payable to the schemes at 31 August 2022 (2021:£327,993) and are included within other creditors.

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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.

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 18 Pension and similar obligations

(Continued)

#### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £2,310,786 (2021: £2,173,645).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22% for employers and 5.5% - 12.5% for employees. Employer contributions for the year ended 31 August 2023 are estimated to be £630,000.

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

Total contributions made	2022 £'000	2021 £'000
Employer's contributions	631	610
Employees' contributions	174	168
Total contributions	805	778

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 18 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.95	3.8
Rate of increase for pensions in payment/inflation	3.05	2.9
Discount rate for scheme liabilities	4.25	1.65

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

	2022 Years	2021 Years
Retiring today		
- Males	22.1	22.3
- Females	24.5	24.7
Retiring in 20 years		
- Males	23.1	23.4
- Females	26.2	26.4

Scheme liabilities would have been affected by changes in assumptions as follows:

	2022 £'000	2021 £'000
0.1% decrease in Real Discount Rate	282	144
0.1% increase in Salary Increase Rate	35	26
0.1% increase in the Pension Increase Rate	251	115
1 year increase in member life expectancy	502	250

Defined benefit pension scheme net liability	2022 £'000	2021 £'000
Scheme assets	9,527	9,332
Scheme obligations	(12,539)	(19,899)
Net liability	(3,012)	(10,567)

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 18 Pension and similar obligations

(Continued)

#### The academy trust's share of the assets in the scheme

	2022 Fair value £'000	2021 Fair value £'000
Equities	7,145	6,999
Bonds	1,524	1,493
Cash	191	187
Property	667	653
Total market value of assets	9,527	9,332

The actual loss on scheme assets was £(477,000) (2021: gain of £1,656,000).

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

	2022 £'000	2021 £'000
Current service cost	1,678	1,301
Interest income	(160)	(125)
Interest cost	342	269
Total operating charge	1,860	1,445

#### Changes in the present value of defined benefit obligations

	2022 £'000	2021 £'000
At 1 September 2021	19,899	15,189
Current service cost	1,678	1,301
Interest cost	342	269
Employee contributions	174	168
Actuarial (gain)/loss	(9,421)	3,081
Benefits paid	(133)	(109)
At 31 August 2022	12,539	19,899

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

	2022 £'000	2021 £'000
At 1 September 2021	9,332	7,007
Interest income	160	125
Actuarial (loss)/gain	(637)	1,531
Employer contributions	631	610
Employee contributions	174	168
Benefits paid	(133)	(109)
At 31 August 2022	9,527	9,332

# SOUTH EAST SURREY SCHOOLS EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

	2022 £'000	2021 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	1,255	(1,565)
Adjusted for:		
Capital grants from DfE and other capital income	(5,159)	(405)
Defined benefit pension costs less contributions payable	1,047	691
Defined benefit pension scheme finance cost	182	144
Depreciation of tangible fixed assets	1,840	1,685
(Increase)/decrease in debtors	(292)	139
Increase in creditors	318	292
<b>Net cash (used in)/provided by operating activities</b>	<b>(809)</b>	<b>981</b>

### 20 Analysis of changes in net funds

	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash	2,932	379	3,311

### 21 Commitments under operating leases

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

	2022 £'000	2021 £'000
Amounts due within one year	14	5
Amounts due between two and five years	16	9
	<b>30</b>	<b>14</b>

### 22 Capital commitments

	2022 £'000	2021 £'000
Expenditure contracted for but not provided in the accounts	206	1,348

### 23 Related party transactions

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 10.

# **SOUTH EAST SURREY SCHOOLS EDUCATION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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### **24 Members' liability**

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

### **25 Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2022, the trust received £9,416 (2021: £14,124) and disbursed £18,613 (2021: £11,239) from the fund. As at 31 August 2022, £6,447 (2021: £15,643) of unspent funds were recognised in Other Creditors.