

Suffolk Academies Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2021

Company Registration Number:

9702333 (England and Wales)

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Reference and Administrative Details

Members Jan Bloomfield
Martyn Wagner
Nicholas Wingfield-Digby
Richard Carter (until 9 March 2021)
Sarah Howard, serving as the Sponsor's representative (from 28 June 2021)

Trustees Alan Maltpress
Chris Higgins
Chris Ridgeon
Debbie Wildridge
Elton D'Souza, Chair
Julia Wakelam
Karen Points
Mike Whittingham (from 6 December 2020)
Nikos Savvas, ex-officio as Accounting Officer
Richard Murray (from 6 December 2020)
Roger Inman
Sarah Healey Pearce
Steve Clarke
Sue Daley
James Gazzard (until 28 February 2021)
Sarah Howard (until 28 February 2021)

Trust Clerk Teresa Elkin (until 9 July 2021)
Suzannah Gales (from 9 July 2021)

Senior Executive Team

- Chief Executive Officer and Accounting Officer
Nikos Savvas
- Chief Financial Officer
Stephen Jones (until 30 August 2021) and John Raffel (from 31 August 2021)
- Principal/Head of Centre of Abbeygate Sixth Form College
David Gartland
- Principal/Head of Centre of One Sixth Form College
Nikos Savvas (until 31 July 2021) and Jake Robson (from 1 August 2021)

Company Name Suffolk Academies Trust

Registered Office Out Risbygate
Bury St Edmunds
Suffolk
IP33 3RL

Company Registration Number 09702333 (England and Wales)

Independent Auditor Larking Gowen LLP
Kings Street House
15 Upper King Street
Norwich
NR3 1RB

Bankers Lloyds Bank plc
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Solicitors Browne Jacobson LLP
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Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2021. The charitable company was incorporated on 24 July 2015 and opened as a Multi Academy Trust on 1 September 2015. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

Suffolk Academies Trust (the Trust) is a multi-academy trust operating two academies. The first is One Sixth Form College which is a post-16 academy located in Ipswich, Suffolk. Its catchment area is predominantly Ipswich and the rural areas to the South and West of Ipswich but does attract students from many areas of the County. One Sixth Form College has student numbers of approximately 2,200. Prior to academisation, it was known as Suffolk One and was a foundation school that opened in 2010. The second academy is Abbeygate Sixth Form College, a post-16 academy in Bury St Edmunds, which opened on 1 September 2019 in temporary accommodation at West Suffolk College and moved into its new permanent academy building from 1 September 2020. Its catchment area is Bury St Edmunds and the surrounding areas. The academy opened with 236 year 12 students and in 2020/21 attracted 591 students. Abbeygate Sixth Form College will continue to grow in numbers over a five-year period with its new build accommodation capable of accommodating a maximum capacity of 1,700 students.

Structure, Governance and Management

Constitution

Suffolk Academies 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 Trust. The Trustees of Suffolk Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Suffolk Academies Trust and its two academies, in the reporting period, are known as One Sixth Form College and Abbeygate Sixth Form College.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 3.

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.

Method of Recruitment and Appointment or Election of Trustees

The recruitment and appointment of Trustees is the responsibility of the Members of Suffolk Academies Trust.

The Members may appoint up to 13 Trustees and additional Trustees can be co-opted by the Trustee Board pursuant to Article 58. The total number of Trustees including the Chief Executive Officer who are employees of the Trust shall not exceed one third of the total number of Trustees.

Pursuant to Article 101A, provision for at least 2 Parent Local Governors was facilitated by their membership on the Local Governing Body of each academy until July 2021, whereupon the Trust Board wound down the Local Governing Body of each academy and established a singular Educational Excellence Committee, overseeing both academies and acting as a Local Governing Body, with 2 Parent Local Governors (1 from each academy) within its membership.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees undertake regular, role specific induction and training. Upon appointment Trustees read and declare their agreement to act in accordance with key governance documents, undertake key training modules (safeguarding, equality diversity and inclusion, etc), have induction meetings with the Chair and Chief Executive Officer, Clerk, Vice Chairs, members of the Executive team, observe Committee meetings and are assigned a mentor. Newly appointed Trustees are also given multiple internal and external training opportunities to understand their role.

All Trustees complete a skills audit self-evaluation annually. The skills audit helps the Trust to identify and assess the skills of the Trustee Board and its Committees and identify areas for further development. This information is then used to inform the training and development strategy for the Trust.

Organisational Structure

The Trust is overseen by the Trustee Board which operates a committee structure with a scheme of delegation showing at which level within the committee structure and/or by whom, decisions can be approved. The Trust updated its scheme of delegation in 2020/21 and is reviewing further revisions for 2021/22 in line with the governance structure changes listed in the Governance Statement.

In line with sector expectations, the Chief Executive Officer of the Trust is the appointed Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Neither the Trustees nor the Governors of the Local Governing Body receive remuneration for their roles. Of the academy senior leadership team, remuneration is reflected in their contract of employment and any progression or cost of living increases must be approved via the Trust policy which is approved by the Trust Board. In 2020/21 the Chief Executive Officer (Accounting Officer) and Chief Financial Officer were not remunerated by the Trust and instead payment is made direct to West Suffolk College for these services through a Service Level Agreement. From 2021/22, both the Chief Executive Officer (Accounting Officer) and Chief Financial Officer will be remunerated directly by the Trust.

Trade Union Facility Time

Relevant Union Officials

Number of employees who were relevant Union Officials during the relevant period	Full Time Equivalent Employee Number
1	1

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	Nil
Total Pay Bill	£8,639,894
Percentage of the total pay bill spent on Facility Time, calculated as: (total cost of Facility Time + Total Pay Bill) x 100	Nil

Paid Trade Union Activities

Time spent on paid Trade Union activities as a percentage of total paid Facility Time hours calculated as: (total hours spent on paid Trade Union activities by relevant Union Officials during the relevant period + total paid Facility Time hours) x 100	Nil
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Related Parties and other Connected Charities and Organisations

West Suffolk College is the sponsor of Suffolk Academies Trust, and this creates a related party relationship between the two organisations. In addition, two of the five members of Suffolk Academies Trust, in the accounting year, were Governors of the Corporation of West Suffolk College. West Suffolk College owns the freehold of the site that One Sixth Form College is located on. This property was leased to the Trust for 125 years commencing 1 September 2015. During 2020/21 the Principal and CEO, and the Vice Principal Finance and Resources of West Suffolk College provide the services of Chief Executive/Accounting Officer, and Chief Financial Officer respectively to the Trust. These services are charged for via a Service Level Agreement approved by both parties and any other charges between West Suffolk College and the Trust are disclosed in full in the related party transaction note within the Financial Statements.

The benefits of the close working relationship between Suffolk Academies Trust and West Suffolk College were highlighted by Baroness Berridge, Parliamentary Under Secretary of State for the School System in her speech to the Sixth Form College Association on 16 June 2021 on the subject of the educational recovery in a post-pandemic world with sixth form colleges being part of the solution. Baroness Berridge specifically highlighted Abbeygate Sixth Form College and One Sixth Form College both being operated by Suffolk Academies Trust and working together with West Suffolk College.

Engagement with Employees (including disabled persons)

The Trust is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender and gender identity, parental and marital status, sexual orientation, disability, religion or belief and age. We strive vigorously to remove conditions which place people at a disadvantage, and we will actively combat discrimination. The Equality & Diversity Policy and the Disability Access Policy are published on our college websites.

The Trust considers all employment applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Trust continues. The Trust's policy is to provide training, career development and opportunities for promotion which, as far as possible, provide identical opportunities to those of non-disabled employees.

The Trust works with employee trade unions and professional associations across both academies and engages in consultation, as required, to ensure that all aspects of the charitable company affecting its employees, including financial and economic factors, are discussed and consulted on with them.

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

The trust seeks to engage fairly and efficiently with suppliers, customers, and others in a business relationship with the trust through sound business and financial practices. For suppliers these practices include including clear and transparent communications, the use of procurement frameworks, issuing of purchase orders, prompt payment and other good procurement practices. For customers, we use tariffs for goods and services, professional valuations for property related transactions, we issue invoices and continue to develop the use of online payment systems. During Covid 19 lockdown we communicated openly and fairly with customers and suppliers to find fair and solutions to the many issues that arose and endeavoured to ensure supplier payments were not interrupted.

Objectives and Activities

The purpose of Suffolk Academies Trust is to provide outstanding quality post-16 education. Currently this is delivered by One Sixth Form College which is located in Ipswich, Suffolk and Abbeygate Sixth Form College, which is located in Bury St Edmunds, Suffolk.

Objects and Aims

As defined in the Articles of Association, the Objects of the Trust are to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering curriculum appropriate to the needs of our 16-19 academy students.

Outstanding achievement and excellence for all: -

- a tradition of outstanding achievement
- a professional environment which encourages and embraces challenge
- students achieve and exceed their initial aspirations
- a learning environment enhanced by vibrant commercial engagement

Excellent personal development opportunities for everyone: -

- outstanding learning and development opportunities for all
- students and staff take responsibility and pride for their personal development
- students and staff enjoy and achieve their very best
- a culture of success and celebration

Exceptional progression opportunities: -

- All students enjoy first class input from the world of business, commerce and higher education.
- Students are able to make informed choices as a result of high-quality advice and guidance.
- All courses demonstrate clear progression opportunities.

Objectives, Strategies and Activities

- To operate at full capacity whilst maintaining a balanced curriculum offer and supporting our staff in delivering outstanding outcomes for the college community.
- Support the opening, operation, and growth of Abbeygate Sixth Form College, in Bury St Edmunds
- Maintain a financially sustainable provision in the ever-changing context of national funding decisions and a challenging economic environment.
- Enhancing existing specialist 16-19 and 19–25 provision by supporting Suffolk CC to develop provision to meet the specific needs of particular students.
- Developing One Sixth Form College as a centre for professional development with a particular focus on teacher training and inset around information, advice and guidance for young people. This will help to improve their transition and progression from 16+ onwards and, into higher education and employment.

Public Benefit

The Trustees have complied with their duty to have due regard to exercising their powers to ensure that the Trust is for the advancement of education. The existence of Local Governing Bodies following from July 2021 by the Education Excellence Committee further strengthens the ability of the Trust to meet the needs of the local community. The leisure facilities at One Sixth Form College are made available for community use when public health issues caused by the Coronavirus pandemic do not prevent them from being used safely.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements – Coronavirus Pandemic Impact

In March 2020, Government issued virus control measures that required the closure to students of both academies within the Trust. The Trust used its ability to switch to online learning platforms, which enabled students to continue their studies from home. Support was given to students with limited access to IT equipment and pastoral care was also undertaken remotely.

The closure of academy buildings provided savings for reduced utility usage, and this broadly compensated for the additional virus control measures required for the preparation for the return of students, e.g. increased Coronavirus signage, protective screens, increased cleaning etc. The Trustees consider that there is no significant impact of the financial sustainability of the Trust as a result of these measures.

The Coronavirus pandemic required changes to the way student recruitment and enrolment took place for 2020/21. The usual series of open events was impacted by the closure and Lockdown from March 2020 onwards. Much of the recruitment effort is usually undertaken in the earlier part of the academic year but finalising applications and confirming places based on results was impacted by the changes to the GCSE results process. The overall impact on student numbers in 2020/21 was not significantly affected and this gives the Trustees confidence that this can be maintained in future years if the virus control measures prevent an immediate return to normal procedures.

The staff and students have responded positively to the changes with students showing maturity in complying with significant changes to student life in the colleges. Staff have shown great leadership and resilience in dealing with control measures that were, at times, changing daily. The Trust has supported both staff and students in the more vulnerable categories, by enabling remote working where possible or other suitable changes on a case-by-case basis.

The Trust recognised the Coronavirus as a risk, and it was included on the Trust's Risk Register. Appropriate control measures were put in place, for example monitoring and implementing advice from Public Health England and the ESFA.

The Trustees do not consider that there are any implications for the defined benefit pension scheme liability. There is no impact on the Reserves policy and no funds have been put aside for future Coronavirus specific commitments.

Since the year end, full on-site learning has resumed in both academies and Government advice is to continue with face-to-face learning. At the time of writing in November 2021, Suffolk was experiencing some of the highest rates of Coronavirus infection in the country. Implementing guidance issued by Suffolk County Council in relation to educational establishments, and this will hopefully reduce the likelihood of all students being required to study remotely. The Trust maintains its capacity to deliver learning remotely if more restrictive virus control measures are enforced. The Trustees do not expect the continuation of virus control measures during the rest of 2021/22 to adversely affect the aims and activities of the trust.

Achievements and Performance - One Sixth Form College

One Sixth Form College is 'Outstanding' (Ofsted). In 2019 one of its teachers won the Pearson FE Teacher of the year Silver Award. Our teachers have been recognised externally, both locally and nationally, for their work with the NHS, the Arts, educational research and STEM projects.

The College is inclusive, offering courses at Levels 4, 3, 2 and Foundation Learning, with 89% of students on Level 3 or 4 programmes, in 2020/21 the student roll was 2,200 with its student population split as follows:

Qualification type	% of Student population
A Level	58
Level 3 Vocational	31
Level 4 (Foundation Art)	2
Level 2	6
Supported Learning	4

Outcomes for Students & Value Added

As result of the disruption to education caused by the COVID-19 global pandemic, examinations were cancelled, for the majority of qualifications but with the exception of some qualifications e.g., Functional Skills and Motor Vehicle. Grades were awarded based on a Teacher Assessment (TAGs), using a variety of evidence (exam board question papers, NEA (coursework), centre devised assessment material, Performances (Music and Dance) and records of progress during the course) as their basis for the grades awarded. Consequently, the DfE measures of education accountability for the year 2020-21, were also cancelled.

The subsequent outcomes for 2020/21 academic year are presented below:

- A Level 85.5% A*-C grades
- A Level 99.1% A*- E grades
- Vocational L3 courses 100% D*D*D*-PPP
- Vocational level 2 courses 96.2% D*D*-PP
- Foundation Learning programmes achieved 86.9% Pass
- A Level: Value Added - Grade 2 (Outstanding) (ALPS – A level Performance System using the national database)

Attendance & Retention

Attendance was 92.7% which was a marginal increase of 0.5% on the previous year. Retention was 97.5% which was a 1.6% increase compared to the previous year.

Progression/Destinations

This year 51% (447) of L3 students secured university places. We have seen 32.5% (285) of L3 students choose the employment/apprenticeship/further training route compared and 10% (88) of L3 students have chosen to take a gap year. For students who were undecided about their destination, this was 5.8% (51).

Achievements and Performance – Abbeygate Sixth Form College

Abbeygate Sixth Form College is opened in September 2019 with 236 year 12 students, growing significantly by Sept 2020 to having 591 students on roll.

Qualification type	% of Student population
A Level	100

Outcomes for Students & Value Added

Student outcomes in 2020/21 were excellent:

- A Level A*-B 99.7% (208 entries)
- A Level A*-E 100% (208 entries)
- Extended Project (Level 3) 81.6% A*-B grades (98 entrants)
- Extended Project (Level 3) 100.0% A*- E grades (98 entrants)
- GCSE (Level 2) 90.4% Grade 4+ (21 entrants)

Attendance & Retention

Attendance was 91.7% in 2020/21. Retention was 93.6% for Yr12 students, and 98.3% for Yr13, from 2019/20 to 2020/21.

Progression/Destinations

76.5% of students' progress on to higher education with a significant 70% being offered their first-choice university / course

6.7% of completers progressed on to apprenticeships, 13.4% in meaningful employment and into 2.9% further education. 0.5% remain undecided on their next steps.

Enrichment - One Sixth Form College

Awards achieved by students

- A Level 3 BTEC Engineering Student (OSFC) was named a winner of the Changing Lives Special Recognition Award category of the Suffolk Business Awards 2020.
- A student won an award and their work featured in the Anna Airy online art exhibition, hosted by the Ipswich Art Society.
- Art & Design students feature in the RBA Rising Stars online exhibition, scooping 4 of 20 slots nationwide.
- An A level Film Studies Student was shortlisted for the 2020 Eduqas Moving Images award, [a virtual awards ceremony](#) was held in February 2021.
- The Chemistry Olympiad took place in January 2021 – we achieved 6 bronze and 2 silver awards.

Enrichment activities for Students

Arts

- National Poetry Day meets European Languages Day - a project between the Modern Foreign Languages and English departments. EAL students have been recorded reading extracts of Shakespeare in their own language to produce a video.
- A-level English students participated in 'Love through the Ages' - a day of lectures hosted online by a range of leading academics.
- The debating society has been re-established by English/Humanities, with a partnership/link established with Abbeigate Sixth Form College. Three debates have taken place so far, with a competition scheduled for w/c 15th March.
- Links have been established with [Grapevine Live](#), and a writing workshop took place for writing opportunities in the creative industries. Students have been entered live music review writing competition.
- Several students participated in the English-Speaking Union Public Speaking competition.
- A virtual [Winter Concert](#) was hosted on YouTube Live in December.
- [10 Years at One](#) – a celebratory streaming of video performances to celebrate Music and Performing Arts at One took place at the end of January, in lieu of show week.
- Suffolk1Sessions – each week music students are able to record a song that is shared on our social media.
- Three Film/Media students took part in the BFI Film Academy over half term.
- We are hosting a number of exciting activities for the national Creative Careers Week (1-5 March).
- Workshops with the renowned Childrens' Theatre Company are planned for vocational Performing Arts students.
- We have asked local professionals to create a short YouTube video, where they are discussing their progression routes and jobs they have had in the industry, qualifications they have and discussions about their current career choices – these include Nicki Betts (choreographer), Karen Pratt (community dance artist), Jack Parry (OSFC Alumni) and Gary Avis MBE (The Royal Ballet).
- We have two activities hosted by our Higher Education partners NUA and UCA:
 - Careers in Sculpture workshop with Norwich University of the Arts
 - Creative Careers event for OSFC students with University for the Creative Arts

Social Sciences

- A monthly Psychology Careers Advice and Guidance session is taking place with contributions from lecturers at the University of Suffolk.
- A virtual Social Sciences Conference at the University of Essex was attended by many Yr12 students.

Languages

- 16 EAL students with fluency in a second language have received guidance and support for A-level Modern Foreign languages in exams in Polish, Portuguese, Spanish, Italian, Russian and Modern Greek for 2021 entry.
- French A level students have met a British expat online who has made a life for themselves in Paris and have discussed careers, lifestyle, and culture in the French capital.

Science

- A-Level Maths students attended interactive workshops at The Live Online Cambridge Maths Inspiration show on 12/11/20.
- We have produced and uploaded video presentations for Maths students to YouTube, and noted academic Prof P Glaister (Professor of Mathematics and Mathematics Education at University of Reading) picked these up.
- The Maths team are working collaboratively on the Maths Week project (across SAT) for March 2021.

Sciences

- 12 A level Biology students presented posters for the Royal Society project (following a practical molecular Biology workshop with the University of Essex).
 - Online study conferences have been funded for Biology, Chemistry and Physics students.
 - We are engaged with the Research Colleges Group (nine UK colleges) to develop promotional logo for launch in March 2021 and first research activity (digital pedagogy) in conjunction with JISC.
- Sporting
- All Year 12 sports students experienced The University of Essex Sports Physiology session online. OSFC Alumni discussed (from Texas, USA!) with approximately 60 sports students his experience of a US Sport Scholarship.

Industry related

- Hair, Health and Beauty Professionals are in a unique position to become powerful advocates in the fight against the UK's most common cancer and potentially save lives. Beauty therapy students have participated in MASCED accredited training – which provides the skills and expertise to enable early detection of skin cancers.
- Employer engagement talk for Beauty students from Jinc Beauty Salon.
- Health and Social Care students attended a Virtual Early Childhood Studies Session with the University of Suffolk.
- Virtual work experience offered to all Yr12 Health and Social Care students with Allied Healthcare Mentor.
- Beauty students have commenced the Dermalogica Aspire Course online, having previously completed the Barbicide Certification and Barbicide Covid-19 Course. OSFC Alumni offered CEIAG on working on Cruise Ships and establishing self-employment in the beauty industry.
- All Yr. 12 A-level accounting students completed the 'Influences on Accounting Regulation' module, freely presented by the Open University. Certified, this acts as an additional qualification to support progression.
- Cranes a local engineering company and they have set up a mock recruitment process for our Engineering students.
- Level 2 IT students have engaged in a virtual work experience opportunity with BT. The one-week trial went very well, and we are looking to link with BT more going forward.
- In BAE, Year 13 Economics students have attended three additional revision sessions led by a Professor from the University of Lincoln on relevant aspects of the Micro and Macro papers.
- Our A level Accounting students attended a webinar on accounting apprenticeships offered by First Intuition – an award-winning professional education training provider with expert tutors and exceptional pass rates.
- BTEC business students attended a workshop and virtual open event at the University of Suffolk Business School.
- Our IOD student members accessed a number of highly engaging seminars; 'Tips and Tricks for Effective Online Interviews', 'Effective Public Speaking' and 'IoD Economic Forecast for the next 10 years'.

Pastoral

- The recruitment of a Chairperson, Vice Chairperson and Secretary, following elections, to lead the student representative body at OSFC.
- Oneplus activities (for our high prior attaining students) continue apace, with recent sessions including "What to do NOW to support your UCAS Personal Statement" and, from the Brighton and Sussex Medical College, issues relating to Medicine and dentistry applications. Forthcoming events include sessions from the University of Edinburgh and Durham, and applications continue for the UNIQ programme (Oxford) and the Sutton Trust Summer Schools (Russell Group).

Qualifications

- The Extended Project Qualification, which is delivered as an enrichment opportunity at OSFC, had completion rates higher than in any previous year, with more than 70 entries.

Enrichment - Abbeygate Sixth Form College

Local Press Articles and social media

- Students write articles for the Bury Free Press on issues that have local, national, and international importance. There is an active student union that works alongside the college in promoting issues of importance and there are student committees concentrating on wellbeing, curriculum, environment, charity events, etc. There is significant social media interest in the College and the issues that are raised on the different platforms.

Performing Arts

- We were delighted to welcome dancers from Hofesh Shechter II to Abbeygate. The dancers taught our students material from their current show in addition to giving our students valuable feedback on their exam work. A great experience for all. Our thanks to DanceEast for organising the experience.
- West End performer Richard Woodford (from Phantom, Les Mis, We Will Rock You and many more) delivered a masterclass to Performing Arts students at Abbeygate. Students staged a section of 'Les Misérables' and received professional coaching on singing, acting and stage movement technique. A student commented: "I really enjoyed learning about the structure of rehearsals for West End productions, how the audition process worked and what being a West End performer was like." The workshop is to be followed up by a second next term. Students will be performing what they have learned in an end of term showcase in December 2021.

Projects

- A group of six students from Suffolk have joined forces with two global giants to try and solve a real-life scientific problem. The students based at Abbeygate Sixth Form College and West Suffolk College will be working with British Sugar and ZEISS, using state of the art technology (thanks to a microscope loan from ZEISS), students will be trying to increase overall yields of products created by British Sugar. Spending time with specialists from both companies, students will analyse data and get a window into the world of careers in science, technology, engineering, and maths (STEM).

Turing Project

- The college were successful in a bid for the Turing Project. A trip to Thailand was launched to Year 13 students and the application process has begun. Staff involved have made connection with Dr Hazel Harrison who will work with the students via workshops to ensure they get the most out of the experience as well as support with development of resources to share with the community. A letter to students regarding the Beijing and Nepal trips went out to Year 12 in October.

Guest Speakers, Trips & Events

- Esther Rutman, is a forensic psychologist working in the prison system with violent male offenders. Esther spoke to both our Year12, and Year13 Criminology students and her talk was really enlightening about her experience of case formulations, as well as her background and how she got into the job. She also talked about case studies of individuals that she had worked with - giving us an insight into triggers and their associated risk in the community were they to be released. The session was well attended by both our Year12 and Year13 students interested in this as a potential career path.
- At the start of September, two Year 13 History students, Nathan Connor and Maisy Freeman, visited the Library at St Edmundsbury Cathedral. Both are applying to study History at University, and the trip was planned to give them insight into the work of a historian and the archive of 16th Century books held at the Cathedral. Stephen Dart (Librarian, Historian and ex-Headteacher) gave a fascinating look into the collection and its links to the dissolution of the Abbey, the founding of King Edward VI Grammar School and the Tudor history of the area. Further trips are being planned in order that more of the Early Modern historians can enrich and apply their learning about the Tudors to understand the Tudor history of the town and its Cathedral.
- As part of their field work experience, Year 12 Geography took a trip to examine and measure the changes to the North Norfolk coastline: stopping at the cliffs of Sheringham, the steep shingle beach of Cley and the salt marsh in the shelter of Blakeney Point. The timing of the trips meant the groups also got first-hand experience of how quickly and dramatically the sea can change, as Tuesday's group had a north-easterly wind creating high waves cresting over the seawall, while Thursday's group saw a south-westerly wind with ripples gently lapping at the beach - fortunately the quality of the chips in Sheringham stayed the same on both days!

Extra-Curricular activities and Student Union

- Student Union elections – we now have 30 students across 3 different faculties representing different subjects and from that there is a Cabinet of around 10 specific positions, e.g. Wellbeing Officer, Secretary, etc. and Committee Leads to support Aaron with activities. More clubs have started this year with lots of new ideas coming from students via PPTs/senior staff which include involving the more vulnerable students. The college are recruiting more Student Ambassadors to help with events, etc. We have many clubs running including book group, philosophy society, music clubs, film club, law society, etc.
- Planning is in place for the rest of the year. The Student Union are updating the calendar of activities that are planned.
- The Environment Committee have met with a local environmental champion to plan activities.
- Mandarin Mondays have started and is a chance to learn a little Mandarin Chinese each week. Our MFL teacher is currently doing an online upskilling course for Modern Languages to learn how to teach Mandarin as a subject, so this group of students are helping hone her skills!
- The first issue of our new international student magazine called "OutSpoken" is due out in December. The theme will be festivals, customs, and traditions. There will be international focus on arts, culture, languages, politics, environment, etc. with a specific theme for each issue. All students and staff can contribute content and artwork but the magazine will be edited by the students. This is a great opportunity for students to get experience in digital magazine production, journalism, writing, etc.

Community

- Students did readings at a St Edmundsbury Cathedral service with 4 other students involved in the collect.
- Refugee Help Sudbury, a Facebook group run by a member of Abbeygate teaching staff, MFL teacher, held a series of donation drop-off events in Sudbury and Bury on Sunday 19th September. Abbeygate opened its doors to the public to receive donations which would then be split between Suffolk Refugee Support in Ipswich to support those settling in the county, and Care4Calais - a national charity - who distribute the donations across the country to where they are most needed by new arrivals from Afghanistan.

UCAS

- Staff are working on an Early Entry UCAS Conference (date TBC) across SAT and ECG to launch and kickstart a programme of activities that students need to be involved in. Staff have been working with group members via a digital platform for keeping students up to date with opportunities such as UCAS/work experience which is on Padlet. Student Union are liaising with staff to improve communications with students regarding university events.

Careers

- Criminology teacher is organising and working with WSC and HE to deliver a careers fair in January 2022 re opportunities within the services, policing, forensic sciences, etc. and possible careers within those areas. Staff are starting to consider other subject areas in order to host something similar which is in the planning stage, e.g., a STEM week with a STEM fair for all possible avenues. This would be followed by the Creative Arts & Humanities later in year.
- STEM leaders have prepared activities for year 7 and 8 students from King Edwards VI this term – we will be hosting and leading STEM club for 15 students from November, with additional future activities planned. STEM are planning a Spotlight on STEM week in early February, with a week-long set of careers sessions with a conference that both Abbeygate and local students can attend. Girls in STEM day – It has been noted that the numbers of girls in physics and maths is low so the departments would like to run a day for Year 10 to promote the subject, highlighting careers and destinations along with fun activities showing the importance of the subject. This will involve working with STEM learning and the IOP.

Student Success

- A student has successfully submitted a pitch to write an article for Film East about 'Do The Right Thing' (Spike Lee, 1989) and how the music in the film is used to communicate ideas around race. Film East is a multi-award-nominated film programming group that provides a platform for young audiences to experience cinema through immersive and interactive film screenings. Film East is based in Norwich and is a member of the British Film Institute's and the Independent Cinema Office's Young Film Programmers Network in the East of England.
- A Year 12 student applied for the prestigious engineering scholarship. This was an extremely difficult application process, where Will had to write his application as well as have several interviews and aptitude tests as part of the process. Will was chosen among the 1000s of applications. This scholarship will support his A Level studies at Abbeygate and he has also received a Mentor who he will meet with on a regular basis to support his aspirations of a career in Engineering.

International Relations

- On Monday 20th September Abbeygate had the opportunity to take part in an International Relations study day, led by Oxford High School. It was an exciting seminar, especially considering recent tragic events in the Middle East.
- Abbeygate students took part in the UK Japan Young Scientists programme which brings 16–18-year-old students from both countries to work together in small international teams on a number of exciting projects. Abbeygate students were the only students in the region to be involved in the programme. The final project saw the creation of podcast on myths of mass destruction, which is available to listen to now on the BBC Naked Scientists Website.

Key Performance Indicators

The Trust uses key performance indicators as a tool to assess performance throughout the year. These KPIs are a mixture of financial and non-financial indicators measuring the performance of the Trust in the reporting period. The suite of indicators are regularly reviewed and modified according to need and priority. These indicators are reported to the Trust Finance Committee and the Board of Trustees during the year. The final KPIs presented to Trustees for the 2020/21 year, are shown against the prior year values.

Suffolk Academies Trust

KPI Report

Period ending 31 August 2021

Ref.	KPI	Aug-21	Aug-20	Risk & Direction	Benchmark	RAG Rating		
						Green	Amber	Red
1	Cash reserves – disclose £ value. The benchmark will be 2 months GAG expenditure.	4,112,556	3,232,482	↓	2 months GAG - £2,223,325	> = 2 month GAG	> 90% of 2 month GAG	< 90% of 2 month GAG
2	Forecast Income as % of Budget – disclose % value. The benchmark will be the Budget value.	95.52%	98.80%	↑	100% of Budget	> = 100% of budget	> 90% of Budget	< 90% of Budget
3	Forecast Expenditure as % of Budget – disclose % value. The benchmark will be the Budget value.	95.03%	94.81%	↑	100% of Budget	< = 100% of budget	< 110% of Budget	> 110% of Budget
4	Forecast Surplus / Deficit for year – disclose £ value. The benchmark will be the Budget value.	924,550	290,415	↓	Budget £347,111	> = 100% of budget	> 90% of Budget	< 90% of Budget
5	Forecast Staff Pay as a % of Forecast Income – disclose % value. The benchmark will be a % based on Budget figures.	73.00%	70.00%	↑	Budgeted % of Staff Pay compared to Total Income - 71.32%	< = budgeted %	< + 1%	> + 1% of
7	Pupil to Teacher Ratio	21.3	20.14	↓	Budgeted PTR = 22.27	> = Budget	> 90% of Budget ratio	< 90% of Budget ratio
8	Current Student Numbers 2020/21	2,680	2,200	↓	Target for Current Year - 2,845	> = Target	< 5% behind Target	> 5% behind target
9	Year 12 student applications for the following year (2021/22)	2,843	2,843	↔	Target for Following Year 21/22 - 2,941	> = Target	< 5% behind Target	> 5% behind target
10	Total Student Numbers Forecast for following year	3,034	2,903	↓	Forecast for 21/22 - 2,960 (Oct 21 census)	> = Target	< 5% behind Target	> 5% behind target

Going Concern

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

Promoting the Success of the Company

The Companies Act 2006 (section 172) specifies that Directors have a duty to promote the success of the company as follows: A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers, and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

The Trustees of Suffolk Academies Trust are committed to furthering the objects of the Trust in a manner that demonstrates regard for its key stakeholders which include students, staff, parents, suppliers, and members of the wider community. The

Board believes that this approach is best secured through enthusiastic adherence to the principles of good and inclusive governance.

In 2020-21, Trustees continued to review the strategic direction of the Trust and its colleges. They review financial planning over a 3-year period which has helped to ensure that Trustees remain sensitive to the longer-term consequences of decisions being made by the Board. In doing so, the Board has been proactive in consulting with funding bodies as these are also key stakeholders. The same approach has been applied to the ongoing collaboration with other local providers of education with a view to being able to provide communities with a curriculum that best meets their needs, both now and in the future. Trustees do not believe that short-termism and/or unnecessary local competition are in the best interests of students.

The Trust hopes that its broad and inclusive approach to decision-making and the high standards of its governance and operational practice will help to ensure that the promotion of its success is of benefit to all. Trustees have received training about their duties as Trustees, and this is refreshed regularly.

Financial Review

Most of the academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. These grants received from the ESFA during the year ended 31st August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The academy has also been in receipt of capital grants from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities', such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31st August 2021 total expenditure of £16,375,830 was supported by recurrent grant funding from the ESFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset and pension funds) was £967,632. This result is greater than the budgeted contribution for the year of £347k. The increase compared to budget comprises a number of factors including additional grant income for Teacher Pay & Pension awards, a shortfall in Abbeygate SFC income due to lower-than-expected student numbers, and associated staff cost savings and non-pay cost savings.

Reconciliation of Net Movement in Funds to Income over Expenditure	2020/21
	£
Net movement in funds on SOFA	30,945,115
Capital Grant re Abbeygate Sixth Form College	- 32,480,000
Other Capital Grants	- 802,875
Actuarial Pension Loss on SOFA	1,557,000
Depreciation & Amortisation	1,611,312
Adj to accruals & prepay	93,998
Capital orders rolled forward to 2021/22	43,082
Excess of Income over Expenditure	967,632

In the year, the Department for Education completed construction of the purpose build Abbeygate Sixth Form College building. The building has been treated as donation income of £32,480,000 and as an addition to leasehold land and buildings at the same value. The property is being leased from Suffolk County Council over a 125-year term for a peppercorn per annum.

As at 31 August 2021 the net book value of fixed assets was £61,031,639 and movements in tangible fixed assets are shown within note 13 to the financial statements and intangible assets within note 12 to the financial statements. The addition of £1,130k of assets in the year in addition to the leased building reflects the continuing investment in resources for the students & staff of the Trust. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

As at 31 August 2021 the total restricted income funds and unrestricted funds amounted to £2,514,463. This excludes the restricted pension reserve.

In accordance with FRS102, the academy received an actuarial assessment of pension scheme deficit. The deficit balance of £6.116 million is included within the balance sheet as at 31st August 2021 and supporting notes to the accounts. A deficit would generally be expected to result in an increase in cash pension contributions over several years.

Reserves Policy

The trust reviewed its reserves policy and agreed the policy wording below at a meeting on 8 July 2021.

Trustees have the responsibility to manage the assets of the Trust. Setting a reserves policy is a central part of managing the Trust's finances and safeguarding the assets. Trustees must consider both the needs of today's students as well as those of the future when setting a reserves policy. Holding back excessive funds for future needs may damage the education of the current students. Conversely, fully spending all of the current funds leaving no money for investment in the future of the Trust, can damage the education of tomorrow's students.

The Trust was created in September 2015 and therefore the financial strategy has been to establish sufficient reserves to ensure financial resilience for the Trust in the longer term so that any future shortfalls in student numbers or cuts in funding do not negate the opportunity to invest in the future of the organisation. To create this resilience, the intended free reserves level that the Trust set for itself in the Autumn of 2016 was the equivalent of 1 month's estimated expenditure which was considered sufficient a sum to provide some financial resilience but not so large that it would deny current students of appropriate investment in the staffing, resources and infrastructure of the Trust.

The Trust has entered a new phase with the advent of a new academy in 2019 which needs to establish its reputation locally and an existing academy where premises expenditure is expected to rise over the coming years. With reference to both the known compliance costs for the Trust's estate and the planned expenditure set out in the Trust's approved Property Strategy, the free reserves target has been extended to 2 months' estimated expenditure for the Trust until two conditions are fulfilled; firstly that the new academy has established financial resilience and secondly that all identified plant, equipment and IT infrastructure works identified at One Sixth Form College (and to a lesser extent for the whole Trust) in addition to planned works included in the Property Strategy are fully quantified and provided for. This policy will be kept under annual review.

With the continued pressure on the education sector's finances not likely to significantly change, 2 months' equivalent of expenditure is not considered an excessive targeted reserves position for the Trust.

Two months equivalent expenditure for 2020/21 amounted to £2.7m. As at 31 August the balance of restricted income funds and unrestricted funds amounted to £2.5m, indicating that at the year end the Trust was 92% of the way to achieving the value criteria of the reserves policy.

The reserves will be held to finance future capital expenditure on the Trust's property and equipment for the benefit of students. In particular, the Trust is aware of likelihood of significant future investment of approximately £1.6m in the heating, ventilation and air conditioning system at One Sixth Form College within the next 5 years.

Investment Policy

The Trust recognises the need to obtain best value from all assets that it holds, including any cash balances that it may periodically hold.

This Trust's policy sets out how those balances will be invested in order to achieve best value whilst also ensuring adequate cash flow to enable the management of the day-to-day accounts.

The Trust does not place cash assets in stocks, shares, bonds or other such investment schemes. Cash assets will only be invested in accounts available through its normal bank, currently Lloyds Bank plc. Cash flow and investments shall be managed by the Trust finance team using the following principles:

- Current account balances earn interest which is aggregated across the Trust and then offset against the commission charges accrued producing a net surplus interest payment to the Trust.
- Cash Flow and Current a/c balances are regularly monitored to ensure immediate financial commitments can be met (payroll and creditor payment runs).
- The Trust will always seek to avoid its current account going overdrawn.
- In balancing risk and reward, will always seek to work with a strategy of minimising risk over maximising reward.

Principal Risks and Uncertainties

The key risks and uncertainties facing the Trust are documented in the risk register of the Trust. This register is regularly reviewed and contains mitigation measures to address or reduce the impact of risks should they come to pass.

The top three risks on the Trust register at the end of the financial year related to:

- Loss of access to key systems due to malicious attack or illegal activity
- Failure to obtain ESFA approval for the related party transactions with West Suffolk College
- Failure to recruit student numbers leads to operational limitations

The risk of losing access to key systems was added into the register following a low impact event that occurred within One Sixth Form College during the year. The trust is aware of other educational establishments that have been subjected to attack causing significant disruption at great expense to the affected organisations. Mitigating actions taken and planned include monitoring occurrences in educational establishments to learn lessons; implementing a specific cyber risks insurance policy that provides great cover that the RPA cover; implementing new firewall & network architecture and moving key services to "the Cloud", e.g., authentication.

The failure to obtain approval for the related party transactions with West Suffolk College is a concern for the current 2020/21 year, but also for future years. The Trustees are aware that the close working arrangements with West Suffolk College are beneficial to the Trust, including the students and staff. The arrangements have provided benefits across areas of leadership, business support and curriculum staffing. Staff costs have been significantly reduced where staffing resources have been able to be shared and the resulting savings have allowed for significant spending to maintain the estate and provide resources for students. This matter is covered in greater detail within the Statement of Regularity, Propriety and Compliance.

The failure to recruit student numbers risk is managed by coordination of student recruitment activities in response to application and enrolment numbers which are monitored frequently by the senior executive team. Use of market research and market share analysis enables the recruitment to be responsive to needs of the local student market. Curriculum planning is also focused on new high growth areas. To minimise the impact of the Coronavirus pandemic, online application & enrolment procedures have been developed to replace on-site events when necessary.

In part, the KPI schedules also assists in the management of risk and the well-being of the Trust and along with the risk register which has an associated action plan, the KPIs are regularly reviewed by Trustees.

Fundraising

The Trust undertook no fundraising activities during the year.

Streamlined Energy & Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	2,877,121	1,521,287
Energy consumption breakdown (kWh)		
Gas	2,043,075	933,632
Electricity	820,731	578,542
Mileage	13,315	9,113
Total	2,877,121	1,521,287
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	374.209	170.004
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	174.265	124.753
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	3.234	2.556
Total gross emissions in metric tonnes CO2e	551.708	297.313
<u>Intensity ratio</u>		
Tonnes CO2e per student	0.197	0.124

Whilst the intensity ratio has increased in 2020/21 compared to the prior year, this reflects the opening of the new 1700 capacity Abbeygate Sixth Form College building in Bury St Edmunds at less than full student capacity. The costs of running the building is effectively spread over fewer students compared to the previous year when Abbeygate Sixth Form College was occupying temporary premises at West Suffolk College and the only source of consumption was One Sixth Form College in Ipswich which was fully occupied.

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 2021 UK Government's Conversion Factors for Company reporting.

Intensity Measurement

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

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

Whilst the intensity ratio has increased in 2020/21 compared to the prior year, this reflects the opening of the new 1700 capacity Abbeygate Sixth Form College building in Bury St Edmunds at less than full student capacity. The costs of running the building is effectively spread over fewer students compared to the previous year when Abbeygate Sixth Form College was occupying temporary premises at West Suffolk College and the only source of consumption was One Sixth Form College in Ipswich which was fully occupied.

Plan for Future Periods

In addition to consolidating One Sixth Form College's position as the top provider of post 16 education in the vicinity of Ipswich, the Trust has successfully opened Abbeygate Sixth Form College as a post 16 free school for the west of Suffolk in Bury St Edmunds. This 16-19 academy opened in September 2019, operating, temporarily, out of accommodation at West Suffolk College for its first year. The objective of the Trust will be to replicate the outstanding quality of One Sixth Form College at Abbeygate Sixth Form College and improve the academic offer to the post 16 age group across Suffolk and its wider region, raising performance and aspiration. During 2020/21, Abbeygate Sixth Form College moved in to its new academy building designed and constructed specifically for post-16 education. With a maximum capacity of 1700 students, the plan for the coming years is to increase the student numbers towards that maximum limit.

Funds Held as Custodian Trustee on Behalf of Others


With the exception of modest funds held by the Trust on behalf of the SWISS (South-West Ipswich & South Suffolk) schools' partnership, the Trust does not hold funds on behalf of others. The partnership, of which One Sixth Form College is a part, is a unique collaboration of high schools in the South-West Ipswich and South Suffolk areas whose objectives are educational.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company Directors, on 16 December 2021 and signed on the Board's behalf by:



Elton D'Souza
Chair of Trustees
16 December 2021

Governance Statement

Scope of Responsibility

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

The Trustee Board has delegated the day to day responsibility to the Chief Executive Officer, 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 Suffolk Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustee's Report and in the Statement of Trustees' Responsibilities. The Trustee Board has formally met 3 times during the year. The Board maintained effective oversight with the use of committees to monitor specific areas of performance including Audit & Risk Management, Finance, Related party Transactions (although this ceased during the year) and the Property Committee. Each of the Committees reports on its activity to each main Board meeting. Information including financial data was shared with all Trustees using an on-line portal which also serves as a repository for formal meeting records and a method of sharing wider trust news and training information. Attendance during the year at meetings of the Trustee Board was as follows:

Trustee	Meetings attended	Out of a possible
Alan Maltpress	3	3
Chris Higgins	3	3
Chris Ridgeon	3	3
Deborah Wildridge	2	3
Elton D'Souza	3	3
James Gazzard	1	3
Julia Wakelam	2	3
Karen Points	3	3
Mike Whittingham	1	3
Nikos Savvas	3	3
Richard Murray	3	3
Roger Inman	2	3
Sarah Howard	3	3
Sarah Healey Pearce	2	3
Steve Clarke	3	3
Sue Daley	3	3

The Members appointed two Trustees in 2020 (Mike Whittingham and Richard Murray) and two Trustees resigned in 2021 (James Gazzard and Sarah Howard) to achieve a majority of Trustees who are independent from the sponsor, i.e. are not also Governors of West Suffolk College.

In June 2021, the Trust filed new Articles of Association which include gender-neutral nomenclature, clarify the role of the sponsor within Article 12, and amend the composition of Trustees within Articles 46-63.

The Trustee Board also made multiple changes to its governance structure in 2021.

- It wound down the Related Party Transactions Committee. The Trustees, who are independent from the sponsor and who form the majority of the Trustee Board, now consider and approve any proposed related party transactions.
- It wound down the Local Governing Body of each academy and established an Educational Excellence Committee to act as the Local Governing Body overseeing both academies.
- It wound down the Appointments and Governance Committee and established a Nominations and Governance Committee to nominating Chairs, Vice Chairs, consider appointments and review the governance arrangements of the Trust.
- It established a Remuneration Committee to consider the performance of the Accounting Officer and recommend to the Finance Committee any amendments to their remuneration.
- It wound down the Property Committee and established a Resources Committee to oversee the estates management, sustainability, IT, human resources, and health and safety.

The Trustee Board also, in line with best practice, commissioned an external governance review lead by a national leader for governance to make further suggestions on ways to strengthen governance of the Trust. This external review is currently being finalised.

The Trustee Board concluded its HaysMacintyre action plan; and continues to work with the ESFA, to test progressive policy changes such as a permissive approach to related party transactions, employment structures to share experienced personnel in a cost-effective manner with auditable contractual guarantees around service controls, and the development of new legal and governance structures appropriate to local need.

Committees

The Audit and Risk Management Committee is a committee of the Trustee Board.

Its purpose is to review the effectiveness of the internal control environment and risk management arrangements providing timely advice to the Trustee Board on areas within its remit.

Attendance at meetings during the year/period was as follows:

Trustee	Meetings attended	Out of a possible
Alan Maltpress	4	4
James Gazzard	3	3
Julia Wakelam	3	4
Roger Inman	4	4

The Finance Committee is a committee of the Trustee Board.

Its purpose is to formulate guidelines for and oversee the discharge of the Trust's responsibilities for the proper management of the finances of the Trust and any of its academies.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Chris Higgins	5	5
Chris Ridgeon	5	5
Deborah Wildridge	5	5
Elton D'Souza	5	5
Nikos Savvas	5	5
Sarah Healey Pearce	4	5
Steve Clarke	5	5

The Related Party Transaction Committee was a committee of the Trustee Board.

Its purpose is to review and assess the related party transactions disclosed in the business of the Trust and to complete a statement of assurance to demonstrate that the supply of goods or services by a related party to the Trust are charged at no more than cost and that compliance with funding agreement obligations have been considered, satisfied and fulfilled.

Attendance at meetings during the year/period was as follows:

Trustee	Meetings attended	Out of a possible
Chris Ridgeon	1	1
Roger Inman	1	1
Sarah Healey Pearce	1	1

The Property Committee is a committee of the Trustee Board.

Its purpose is to formulate guidelines for and oversee the discharge of the Trust's responsibilities for the proper management of the estate and assets of the Trust and any of its academies.

Attendance at meetings during the year/period was as follows:

Trustee	Meetings attended	Out of a possible
Chris Higgins	3	3
Deborah Wildridge	3	3
Elton D'Souza	3	3
Nikos Savvas	3	3
Steve Clarke	3	3

Review of Value for Money

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

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

- delivering the curriculum under a new streamlined staffing structure and recruiting high student numbers
- optimising allocation of staff time and centralising many support services
- taking a considered approach to investment in the building, infrastructure and IT
- applying the principles of the Trust's best value statement
- using a carefully considered reserves policy ensured that the long-term financial viability of the Trust is balanced with the needs of current students
- maintaining high quality outcomes with a positive financial performance

Throughout 2020/21 the Trust continued to effectively and appropriately manage its finances centrally to achieve procurement benefits and to accurately forecast income and expenditure; enabling the Trust to align its reserves policy to the estates and infrastructure investment needs to ensure the Trust remains financially sustainable.

The Trust also continued to effectively deliver central support services to the colleges within the Trust and expanded the breadth of central support services provided.

The Trust also continued, as it has since its creation in 2015, to benefit from its close and mutually supportive, strategic alliance and collaboration with its sponsor organisation, West Suffolk College. The Trust and the College co-ordinate regional education provision, through the Eastern Colleges Group, as complementary charitable, public benefit, non-profit-distributing educational institutions.

The collaboration between the Trust and the College provides value for money through being a uniquely purpose-aligned, symbiotic relationship, within which the Trust receives a comprehensive package of support, including subsidy, shared services, at-cost services and goods, enhanced and larger scale resources and added value benefits. The Trust also provides reciprocal benefits to the College.

The Trust Board independently determines that the collaborative arrangements with the College are in the best public benefit and value for money interests of the Trust, in general and as applicable, in relation to each separable element and keeps such determinations under review. The Public Contracts Regulations 2015 and the Trust's Procurement Policy are met through the unique nature, value and inter-connectedness of the arrangements and/or particular competitive assessments to the extent any separable element may potentially be delivered more beneficially by a third-party supplier.

Particular terms and conditions for the provision of particular services by the College to the Trust are agreed, between the two charitable educational institutions (with appropriate potential conflict of interest management), under the framework established by the over-arching collaboration arrangements.

Under the Academies Financial Handbook, which sets out the conditions of the Trust's primary funding by the ESFA, service provision by the College to the Trust formally constitutes a Related Party Transaction ("*RPT*") and such RPTs require prior ESFA consent. This is a regulatory potential conflict of interest management safeguard.

Between the College and the Trust, as collaborative, charitable, public benefit, complementary educational institutions, there is a pre-dominant common and co-incident interest. Nevertheless, both parties need to be alert to the residual potential for a conflict of interest arising within the operational relationship.

As a central part of the Trust's financial sustainability strategy; the at/below cost supplies of goods and/or services between the Trust and the College, which constituted *RPTs*, were proposed and reviewed in advance of the 2020/21 academic year, as part of the operational and budgetary planning and was rigorously reviewed, and approved, by members of the Trust Board who were independent of the sponsor (in accordance with the applicable potential conflict of interest management principles and policy), impartially to scrutinise the proposed, inter Eastern College Group, supply of services and goods and be assured they represented value for money.

This early review enabled the *RPTs* to be reviewed and approved internally and submitted to the ESFA for approval, significantly before the planned utilisation of the services. However, as noted in the Independent Reporting Accountant's Assurance Report on Regularity, the *RPTs* did not secure prior approval from the ESFA, resulting in the required utilisation commencing without the required consent. This was a matter of incomplete evidence provision and non-compliance with the Trust's Articles of Association with respect to management of conflict of interest to secure the consents, not a substantive refusal of consent, but a retrospective consent is not technically possible. The internal approval by the Trustees was not valid for the reasons stated and the resulting lack of the consent is, in formal terms, a regulatory issue.

However, the Trust Board maintains its original determination and view that the collaborative arrangements with the College are in the best public benefit interests of the Trust and represent best value for money for the Trust.

The Trust continues to work positively with the ESFA to determine the best way forward to appropriately manage the consideration by the Trust of future Related Party Transactions with the sponsor while maintaining their strong strategic alliance and cooperation.

In discussion with the ESFA, the Trust has received advice on best practice and the ESFA's requirements and expectations in relation to the Trust's decision-making processes and evidence provision, in relation to RPTs, to be applied, by the Trust, in the future.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place in Suffolk Academies Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating, and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the 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 finance committee and property committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- setting targets to measure financial and other performance.
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties.
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided:

To buy-in an internal audit service from M+A Partners. The use of a specialist internal audit service is considered beneficial to the Trust in terms of the level of independence and assurance provided in respect of the review of internal controls.

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

Key Financial Controls

- Income controls
- Cash management controls
- Control accounts
- Journal entries

Procurement

- Purchase orders
- Goods received notes
- Purchase invoices
- Procurement & tendering
- Charge cards
- Trustee & staff expenses
- Value for money & securing discounts
- Monitoring significant contracts

Risk Management

- Risk management policy
- Risk management training
- Risk identification and reporting
- Controls to mitigate risks
- Risk assurances
- Action plans to address gaps in control

The Risk Management review resulted in a "Limited" assurance conclusion both in terms of the control design and the control effectiveness. The internal auditors commented that in relation to design there should be further development of controls to ensure best practice requirements are met and that despite controls generally operating effectively there were some that were not operating as designed. The internal audit review covered the Risk Management arrangements prior to the review of the process and proposed new risk register format which was agreed and approved by the Trust Board on 11 December 2020.

The reviews of Key Financial Controls and "Procurement" gave "Full" levels of assurance in both control design and effectiveness of controls.

On a regular basis, the internal auditor reports to the board of trustees through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The internal auditor also provides an annual assessment based on its audit work of internal controls including an assessment of the Trust's risk management. The overall assurance opinion grading by the internal auditor of the Trust's effectiveness in these areas was 'Substantial'.

M+A Partners has delivered their schedule as planned and provided details of any material control issues arising as a result of the review along with recommendations of any remedial action required to rectify the issues. Work arising from the internal review reports and recommendations is managed using an internal audit tracking document to ensure necessary steps are taken in a timely manner. This is subject to the regular review of the Audit Committee.

Review of Effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee in its annual report to the Board and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the member of the board of trustees on 16 December 2021 and signed on its behalf by:



Elton D'Souza
Chair of Trustees



Dr Nikos Savvas
Accounting Officer

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Suffolk Academies Trust I have considered my responsibility to notify the Trust Board and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Trust Board, Auditors and ESFA. If any instances are identified after the date of this statement, these will be notified to the Trust Board and ESFA:

- Financial issues: Related Party Transactions

West Suffolk College is the sponsor of the Trust and owns the freehold of the property from which One Sixth Form College operates.

Since the Trust was established in 2015 the Trust has operated under a strategic alliance with its sponsor with a clear purpose to join up education in our region to provide outstanding post-16 provision for our community; supporting the community to acquire the skills it needs to get good jobs and progress, leaving no-one behind.

Within the strategic alliance, to achieve this vision and to create financial sustainability; the Trust and its sponsor have always shared staff, obtaining first efficiencies in leadership staffing costs and more recently wider business support services.

The strategic alliance continues to be extremely successful, and has supported the Trust to:

- *Grow*; increasing capacity at its original Sixth Form College to support the community in the east of Suffolk and by opening a brand-new Sixth Form College to support the community in the west of Suffolk
- *Improve*; quality of education by sharing best practice across the Trust and sponsor, and continuously improving student experience to directly impact and enrich student outcomes
- *Be resilient financially* and strategically investing in resources and staff through robust financial planning and efficiencies.
- *Serve our community*; working with other education providers, businesses and public sector institutions to join up education to benefit our community

In accordance with ESFA terms and conditions, the Trust submitted related party transactions to the ESFA for prior approval. With effect from 1 April 2019, the ESFA introduced new related party transactions regulations which affected the pre-established sharing of staff between the Trust and its sponsor.

The Trust submitted related party transaction agreements to ESFA for approval for the 2020/21 academic year, following approval by the Trust Board on 9 July 2020. The majority of Trustees at the meeting had a conflict of interest due to their appointment as Governors at West Suffolk College. This led to a regularity issue as conflicts of interest were not adequately managed in compliance with the Trust's Articles of Association. The ESFA rejected the following material related party transactions.

- 1) The provision of CEO & CFO services for up to £100,000+VAT
- 2) The provision of business support services with a net charge between West Suffolk College and the Trust of up to £200,000+VAT. The actual charges under the agreement for 2021/21 from West Suffolk College to Suffolk Academies Trust were £258,169+VAT and from Suffolk Academies Trust to West Suffolk College were £60,000+VAT, giving a net charge to the Trust of £198,169+VAT.
- 3) The provision of a Principal at One Sixth Form College for up to £80,000 per annum, which amounted to £16,658 for 2020/21

Throughout 2020/21, during the pandemic the Trust completed multiple significant changes to its governance including a majority of Trustees who were independent and an enhancement of governance arrangements and conflict of interest management. The Trust also worked closely with the ESFA to inform them of the proactive changes the Trust was making to strengthen governance. To further provide assurance to the ESFA, the Trust also welcomed one of the ESFA's national leaders of governance to observe its March 2021 Board meeting.

Whilst the ESFA rejected the 2020/21 related party transactions, they recognise the Trustees' belief in the importance of the strategic alliance as well as the Trust's proactive response to strengthen governance and to cooperate and communicate with the ESFA. This has enabled the ESFA to have assurance that the related party transactions are not considered a high risk.

The Trust continues to work positively with the ESFA to determine the best way forward to appropriately manage the consideration by the Trust of future Related Party Transactions with the sponsor while maintaining their strong strategic alliance and cooperation.

- Non-financial issues: None

A handwritten signature in black ink, appearing to read 'N. Savvas', with a long horizontal flourish extending to the right.

Dr Nikos Savvas
Accounting Officer
16 December 2021

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the board of trustees on 16 December 2021 and signed on its behalf by:



Elton D'Souza
Chair of Trustees

Independent Auditor's Report on the Financial Statements to the Board of Trustees of Suffolk Academies Trust

Opinion

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

In our opinion the financial statements:

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

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Due to the field in which the Company operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with tax legislation, accounting standards and requirements, including Charities SORP (FRS 102) and the Academies Accounts Direction 2020 to 2021, the Companies Act 2006 and charity law. In addition, we considered the provisions of other laws and regulations which whilst not having a direct impact on the financial statements, are fundamental to the Company's ability to operate, including Academies Financial Handbook 2020, funding agreements, safeguarding requirements, health and safety; employment law, data protection and compliance with various other regulations relevant to the conduct of the Company's operations.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

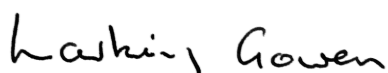
- Enquiries with management, the accounting officer and the trustees about any known or suspected instances of non-compliance with laws and regulations, accidents in the workplace, safeguarding breaches, data breaches, potential litigation or claims and fraud;
- Considering the conclusion of our assurance report on regularity to the Company and the Education and Skills Funding Agency;
- Reviewing the Accounting Officers Statement on Regularity, Propriety and Compliance;
- Review the findings of the Company's internal scrutiny;
- Reviewing legal and professional fees to confirm matters where the Company engaged lawyers during the year;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing board and finance committee minutes and any relevant correspondence with external authorities, including regulators;
- Challenging assumptions and judgements made by management in their significant accounting estimates, particularly around the actuarial assumptions used to estimate the Local Government Pension Scheme defined benefit obligation; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of any significant transactions outside the normal course of business.

Due to 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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Giles Kerkham FCA DChA (Senior statutory auditor)
For and on behalf of

Larking Gowen LLP

Chartered Accountants
Statutory Auditors

Ipswich
Date: 22 December 2021

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

In accordance with the terms of our engagement letter dated 15 December 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Suffolk Academies Trust during the year to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Suffolk Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Suffolk Academies 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 Suffolk Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Suffolk Academies Trust's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

The work undertaken to draw our conclusions includes:

The work undertaken to draw our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Trustees
- Review of the results of the Academy Trust's process of independent checking of financial controls, systems, transactions and risks
- Inspection and review of the accounting records, meeting minutes, internal control procedures, management representations and declarations of interest
- Checking the application of the financial controls and
- Review of governance arrangements

Conclusion

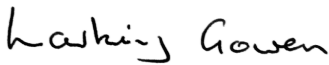
In the course of our work, except for the matter listed below nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during year to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions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

Matter

Services were provided to Suffolk Academies Trust by West Suffolk College under agreements for which prior approval from ESFA had not been obtained, in breach of Academies Financial Handbook 2020 paragraph 5.41. These related to:

- A. Chief Executive Officer and Chief Financial Officer Services from 1 September 2020 (£100,000)
- B. Support services from 1 September 2020 (£258,169)
- C. Services of the Principal at One Sixth Form College from 17 May 2021 (£16,658)

Transactions A and B were approved by the Trust board on 9 July 2020, however the majority of trustees at the meeting had a conflict of interest due to their appointments at West Suffolk College. Therefore, conflicts of interest were not adequately managed in the meeting compliant with the Conflicts of Interest clauses of the company's Articles of Association.


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Reporting Accountant

Larking Gowen LLP

Ipswich

Date 22 December 2021

**Statement of Financial Activities for the period ended 31 August 2021
(Including Income and Expenditure Account)**

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and capital grants	2	-	-	33,282,875	33,282,875	348,377
<i>Charitable activities:</i>						
Funding for the academy trust's educational operations	3	36,298	15,300,497	-	15,336,795	12,316,208
Other trading activities	4	247,035	7,415	-	254,450	380,405
Investments	5	3,825	-	-	3,825	9,677
Total		<u>287,158</u>	<u>15,307,912</u>	<u>33,282,875</u>	<u>48,877,945</u>	<u>13,054,667</u>
Expenditure on:						
Raising Funds	6	13,907	-	-	13,907	11,740
<i>Charitable activities:</i>						
Academy trust educational operations	7	137,919	14,612,693	1,611,311	16,361,923	13,726,219
Total		<u>151,826</u>	<u>14,612,693</u>	<u>1,611,311</u>	<u>16,375,830</u>	<u>13,737,959</u>
Net income / (expenditure)		135,332	695,219	31,671,564	32,502,115	(683,292)
Transfers between funds	17	-	(464,919)	464,919	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	17, 25	-	(1,557,000)	-	(1,557,000)	(464,000)
Net movement in funds		135,332	(1,326,700)	32,136,483	30,945,115	(1,147,292)
Reconciliation of funds						
Total funds brought forward at 1 September 2020	17	1,304,149	(3,714,318)	27,841,117	25,430,948	26,578,240
Funds carried forward at 31 August 2021		<u>1,439,481</u>	<u>(5,041,018)</u>	<u>59,977,600</u>	<u>56,376,063</u>	<u>25,430,948</u>

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

Included in "Donations and capital grants" in the income section is the donation of Abbeygate Sixth Form College new build property at a valuation of £32,480,000, leaving £802,875 from other capital grants.


**Statement of Financial Activities for the period ended 31 August 2020
(Including Income and Expenditure Account) showing comparatives by fund**

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2020
	£	£	£	£
Income and endowments from:				
Donations and capital grants	-	-	348,377	348,377
<i>Charitable activities:</i>				
Funding for the academy trust's educational operations	107,214	12,208,994	-	12,316,208
Other trading activities	380,405	-	-	380,405
Investments	9,677	-	-	9,677
Total income and endowments	497,296	12,208,994	348,377	13,054,667
Expenditure on:				
Raising Funds	11,740	-	-	11,740
<i>Charitable activities:</i>				
Academy trust educational operations	255,470	12,580,407	890,342	13,726,219
Total expenditure	267,210	12,580,407	890,342	13,737,959
Net income / (expenditure)	230,086	(371,413)	(541,965)	(683,292)
Transfers between funds	(1,480)	(128,555)	130,035	-
Other recognised gains / (losses):				
Actuarial (losses) / gains on defined benefit pension schemes	-	(464,000)	-	(464,000)
Net movement in funds	228,606	(963,968)	(411,930)	(1,147,292)
Reconciliation of funds				
Total funds brought forward at 1 September 2019	1,075,543	(2,750,350)	28,253,047	26,578,240
Funds carried forward at 31 August 2020	1,304,149	(3,714,318)	27,841,117	25,430,948

Balance Sheet as at 31 August 2021

	Notes	2021 £	2020 £
Fixed Assets			
Intangible assets	12	4,623	3,352
Tangible assets	13	<u>61,027,016</u>	<u>29,024,834</u>
		<u>61,031,639</u>	<u>29,028,186</u>
Current assets			
Stock	14	3,688	4,046
Debtors	15	360,207	205,419
Cash at bank and in hand		<u>4,112,556</u>	<u>3,232,884</u>
		<u>4,476,451</u>	<u>3,442,349</u>
Liabilities			
Creditors: Amounts falling due within one year	16	<u>(1,976,027)</u>	<u>(1,915,877)</u>
Net current assets		<u>2,500,424</u>	<u>1,526,472</u>
Total assets less current liabilities		<u>63,532,063</u>	<u>30,554,658</u>
Creditors: amounts falling due after more than one year	16	<u>(1,040,000)</u>	<u>(1,166,710)</u>
Net assets excluding pension liability		<u>62,492,063</u>	<u>29,387,948</u>
Defined benefit pension scheme liability	25	<u>(6,116,000)</u>	<u>(3,957,000)</u>
Total net assets		<u>56,376,063</u>	<u>25,430,948</u>
Funds of the academy trust:			
Restricted funds			
- Fixed asset fund	17	59,977,600	27,841,117
- Restricted income fund	17	1,074,982	242,682
- Pension reserve	17	<u>(6,116,000)</u>	<u>(3,957,000)</u>
Total restricted funds		<u>54,936,582</u>	<u>24,126,799</u>
Unrestricted income funds	17	1,439,481	1,304,149
Total unrestricted funds		<u>1,439,481</u>	<u>1,304,149</u>
Total funds		<u>56,376,063</u>	<u>25,430,948</u>

The financial statements on pages 31 to 55 were approved by the trustees, and authorised for issue on 16 December 2021 and are signed on their behalf by:



Elton D'Souza
Chair of Trustees

Statement of Cash Flows for the period ended 31 August 2021**Cashflow**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	20	1,367,729	1,309,799
Cash flows from investing activities			
	22	(328,065)	(54,917)
Cash flows from financing activities			
	21	(159,992)	(159,992)
Change in cash and cash equivalents in the reporting period		<u>879,672</u>	<u>1,094,890</u>
Reconciliation of net cash flow to movement in net funds			
Cash and cash equivalents at 01 September 2020	23	3,232,884	2,137,994
Cash and cash equivalents at 31 August 2021		<u>4,112,556</u>	<u>3,232,884</u>

Notes to the Financial Statements for the Year Ended 31 August 2021

1. Statement of Accounting Policies

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

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), 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 (FRS102) (Charities SORP (FRS102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Suffolk Academies Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

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

Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

The trust is benefitting from the ESFA's Free School Building Programme for the construction of Abbeygate Sixth Form College. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the trust controls through ownership, lease or license the site where the development is occurring. The expenditure is capitalised in assets under construction until the project is complete.

- **Sponsorship income**

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

- **Donations**

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

- **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.

Notes to the Financial Statements for the Year Ended 31 August 2021

1. Statement of Accounting Policies (continued)

- **Donated goods, facilities and services**

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

- **Donated fixed assets (excluding Transfers on conversion/into trust)**

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

- **Gifted Assets on Conversion**

The conversion of One Sixth Form College (One SFC) from a state-maintained school to an academy on 1st September 2015 involved the transfer of identifiable net assets and liabilities within the school and its operation for £nil consideration.

The assets and liabilities transferred on conversion from One SFC to the Trust have been valued on either the basis of depreciated replacement value (long leased buildings) or their fair value (all other assets).

Upon conversion, One SFC entered into a leasehold agreement with West Suffolk College for the land. A sum of £1.6m will be paid to West Suffolk College at £80,000 per year for 20 years and thereafter a peppercorn rent sum of £1 for 105 years. To reflect the substance of this transaction, the Trust has accounted for the full £1.6m on transfer, with future repayments reducing the liability

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 are 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 based on time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on Raising Funds**

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

Notes to the Financial Statements for the Year Ended 31 August 2021

1. Statement of Accounting Policies (continued)

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Intangible Fixed Assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Purchased computer software	25%
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Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the required 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 / reducing balance basis over its expected useful lives, as follows:

• Freehold Buildings	[50 years]
• Long Leasehold Buildings	[10 years]
• Fixtures, fittings & equipment	[10 years]
• Computer hardware	[4 years]
• Motor Vehicles	[5 years]

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

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

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in 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.

Provisions

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

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

Leased Assets

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

Notes to the Financial Statements for the Year Ended 31 August 2021

1. Statement of Accounting Policies (continued)

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 as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 measure at amortised cost as detailed in notes 16. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stock

Unsold art supplies are valued at the lower of cost or net realisable value.

Taxation

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

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 25, the TPS is a multi-employer scheme with no underlying assets to assign between employees. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund Accounting

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

Notes to the Financial Statements for the Year Ended 31 August 2021

1. Statement of Accounting Policies (continued)

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions includes the discount rate. Any changes in these assumptions, which are disclosed in note 25 will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact the carrying amount of the pension liability.

Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the 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 administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 28.

2 Donations and Capital Grants

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Capital grants				
Devolved Formula Capital	-	60,020	60,020	47,988
Other Capital Grants	-	742,855	742,855	300,389
Donated fixed assets				
Abbeygate Land and Buildings	-	32,480,000	32,480,000	-
	-	33,282,875	33,282,875	348,377

Notes to the Financial Statements for the Year Ended 31 August 2021**3 Funding for the Academy Trust's Educational Operations**

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
DfE/ESFA Revenue Grants				
General Annual Grant	-	13,339,952	13,339,952	<i>10,449,992</i>
Post Opening Grant	-	277,000	277,000	-
Rates Relief	-	175,911	175,911	<i>111,613</i>
Teachers' Pay Grant	-	185,727	185,727	<i>165,667</i>
Teachers' Pension Grant	-	524,813	524,813	<i>465,523</i>
Discretionary Bursary/FMS 5% retained	-	19,854	19,854	<i>16,127</i>
Other DfE/ESFA Grants	-	(12,500)	(12,500)	<i>402,134</i>
	-	14,510,757	14,510,757	<i>11,611,056</i>
Other Government Grants				
SEN Element 3	-	633,966	633,966	<i>547,484</i>
Ipswich Opportunity Fund	-	-	-	<i>20,000</i>
SCC Reimbursement LGPS insurance	-	25,365	25,365	<i>26,950</i>
Other	-	11,191	11,191	<i>3,504</i>
	-	670,522	670,522	<i>597,938</i>
Other income from the academy trust's educational operations				
Academy Trips	12,605	-	12,605	<i>107,214</i>
	12,605	-	12,605	<i>107,214</i>
COVID-19 additional funding (DfE/ESFA)				
Academies Tuiton Funding	-	101,341	101,341	-
Other DfE/ESFA COVID-19 funding	23,693	17,877	41,570	-
	23,693	119,218	142,911	-
	36,298	15,300,497	15,336,795	<i>12,316,208</i>

The Trust received £101k of 16-19 Academies Tuition Funding and costs incurred in respect of this funding totalled £66k, with the remaining £35k to be spent in 2021/22.

The Other DfE/COVID-19 funding related to ESFA payments supporting the provision of COVID-19 test centres for students and staff at Abbeygate and One Sixth Form Colleges. The funding included additional support to cover the hire of temporary accommodation at One Sixth Form College required to facilitate testing in a socially distanced environment.

Notes to the Financial Statements for the Year Ended 31 August 2021**4 Other Trading Activities**

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Hire of Facilities	-	-	-	34,137
Items Sold	14,353	-	14,353	13,869
Insurance Claims	-	-	-	270
ONE Bus	118,239	-	118,239	109,967
Abbeygate Bus	11,843	-	11,843	14,508
Exam Resits	2,380	-	2,380	12,270
Work Experience	351	-	351	16,553
NEACO	3,449	-	3,449	-
Productions	-	-	-	10,603
Curriculum Bids	-	7,415	7,415	7,739
Other schools- services provided	86,006	-	86,006	88,596
Other	10,414	-	10,414	71,893
	<u>247,035</u>	<u>7,415</u>	<u>254,450</u>	<u>380,405</u>

5 Investment Income

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Bank Interest	3,825	-	3,825	9,677
	<u>3,825</u>	<u>-</u>	<u>3,825</u>	<u>9,677</u>

6 Expenditure

	Non Pay Expenditure			Total	Total
	Staff Costs	Premises	Other	2021	2020
	£	£	£	£	£
Expenditure on raising funds					
• Allocated Support Costs	-	-	13,907	13,907	11,740
Academy's educational operations					
• Direct Costs	9,692,053	1,611,311	975,165	12,278,529	9,490,124
• Allocated Support Costs	2,066,815	1,591,217	425,362	4,083,394	4,236,095
	<u>11,758,868</u>	<u>3,202,528</u>	<u>1,414,434</u>	<u>16,375,830</u>	<u>13,737,959</u>

Net Income/(expenditure) for the period includes:

	2021	2020
	£	£
Operating lease rentals	61,746	103,250
Depreciation	1,608,075	887,519
Amortisation of intangible fixed assets (included within Charitable Activities - Academy trust educational operations)	3,236	2,823
Fees payable to auditor for:		
- audit	7,188	8,351
- other services	10,139	4,049
	<u>1,690,384</u>	<u>1,005,992</u>

The total expenditure was £16,375,830 (2020: £13,737,959) of which Staff Costs Direct Costs was £9,692,053 (2020: £7,671,285), Staff Costs Allocated Supports Costs was £2,066,815 (2020: £1,821,942), Premises Direct Costs was £1,611,311 (2020: £890,342), Premises Allocated Support Costs was £1,568,724 (2020: £1,492,882), Other Direct Costs was £975,165 (2020: £928,497), Other Allocated Support Costs was £447,855 (2020: £921,271) and Other expenditure on raising funds was £13,907 (2020: £11,740).

Notes to the Financial Statements for the Year Ended 31 August 2021

7 Charitable Activities

	Total 2021	Total 2020
	£	£
Direct costs - educational operations	12,278,529	9,490,124
Support costs - educational operations	4,083,394	4,236,095
	<u>16,361,923</u>	<u>13,726,219</u>

	Educational Operations	Total 2021	Total 2020
	£	£	£
Analysis of support costs			
Support staff costs	2,066,815	2,066,815	1,821,942
Technology costs	-	-	69,694
Premises costs	1,591,217	1,591,217	1,492,682
Other support costs	408,035	408,035	830,154
Governance costs	17,327	17,327	21,623
Total support costs	<u>4,083,394</u>	<u>4,083,394</u>	<u>4,236,095</u>

8 Staff

	Total 2021	Total 2020
	£	£
a. Staff costs		
Staff costs during the period were:		
Wages and salaries	8,145,863	6,726,341
Social security costs	751,813	621,179
Operating costs of defined benefit pension schemes	2,346,382	1,973,371
Apprenticeship Levy	25,738	18,545
	<u>11,269,796</u>	<u>9,339,436</u>
Supply staff costs	489,072	153,791
	<u>11,758,868</u>	<u>9,493,227</u>

Staff restructuring costs comprise:

Severance payments	33,463	47,178
	<u>33,463</u>	<u>47,178</u>

b. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs is a single non-statutory/non-contractual severance payment totalling £33,463 (2020: £47,178).

Notes to the Financial Statements for the Year Ended 31 August 2021**c. Staff numbers**

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

	2021	2020
	No.	No
Teachers	159	126
Administration and support	140	121
Management	3	6
	302	253

d. Higher paid staff

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

	2021	2020
	No.	No
£60,001 - £70,000	2	3
£70,001 - £80,000	1	1
£80,001 - £90,000	1	
£90,001 - £100,000		1
£120,001 - £130,000		1

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £413,622 (2020:£286,661)

This figure excludes remuneration for the Chief Executive Officer and the Chief Financial Officer whose costs, form part of the £100,000 (2020: £71,229) Service Level Agreement between the Trust and West Suffolk College as disclosed in note 25.

9 Central Services

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

- Human resources
- Finance
- Marketing
- Admissions
- Operations including, estates, health & safety

As an existing academy, One Sixth Form College had all of these functions operating on behalf of the single academy. With the opening of Abbeygate Sixth Form College, additional demands in each other these areas could not be satisfied by the existing Trust teams alone. To improve quality & capacity of central services, the management teams were strengthened with the support of experienced staff from the related party, West Suffolk College. This cost-effective arrangement continued throughout the year and will be expanded in future years, utilising best-practice and ensuring consistent application of policy & procedure across the Trust.

The Trusts policy for charging for 2020/21 was based upon the estimated level of service required by each academy taking into account the increased demands of the new academy within the Trust.

The amounts charged during the year to Abbeygate SFC were £651,526 (2019: £69,457) and One SFC £1,857,425 (2019: £148,500)

10 Related Party Transactions - Trustees' Remuneration and Expenses

No trustees were paid remuneration or received other benefits from an employment with the academy trust.

During the period ended 31 August 2021, no travel and subsistence expenses were paid to trustees .

Notes to the Financial Statements for the Year Ended 31 August 2021

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 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.

12 Intangible Fixed Assets

	Computer Software £	Total £
Cost		
At 1 September 2020	15,965	15,965
Transferred from LA	-	-
Additions	4,508	4,508
At 31 August 2021	<u>20,473</u>	<u>20,473</u>
Amortisation		
At 1 September 2020	12,613	12,613
Charged in year	3,237	3,237
At 31 August 2021	<u>15,850</u>	<u>15,850</u>
Carrying Amount		
At 31 August 2020	3,352	3,352
At 31 August 2021	<u>4,623</u>	<u>4,623</u>

13 Tangible Fixed Assets

	L'hold Land & Building £	Improv't s £	Furniture & Equip £	Plant & Machinery £	ICT Equip £	Motor Vehicle £	AUC	Total £
Cost								
At 1 September 2020	30,999,999	17,638	254,837	323,947	1,083,949	8,907	-	32,689,277
Additions	32,480,000	20,219	50,647	36,962	1,001,129	-	21,300	33,610,257
At 31 August 2021	<u>63,479,999</u>	<u>37,857</u>	<u>305,484</u>	<u>360,909</u>	<u>2,085,078</u>	<u>8,907</u>	<u>21,300</u>	<u>66,299,534</u>
Depreciation								
At 1 September 2020	2,944,445	4,178	65,909	47,919	596,486	5,506	-	3,664,443
Charged in year	1,169,389	1,764	30,062	33,632	371,714	1,514	-	1,608,075
At 31 August 2021	<u>4,113,834</u>	<u>5,942</u>	<u>95,971</u>	<u>81,551</u>	<u>968,200</u>	<u>7,020</u>	<u>-</u>	<u>5,272,518</u>
Net Book Values								
At 31 August 2020	28,055,554	13,460	188,928	276,028	487,463	3,401	-	29,024,834
At 31 August 2021	<u>59,366,165</u>	<u>31,915</u>	<u>209,513</u>	<u>279,358</u>	<u>1,116,878</u>	<u>1,887</u>	<u>21,300</u>	<u>61,027,016</u>

The trust's transactions relating to land and buildings included:

- Included in leasehold land & buildings brought forward is a 125 year long leasehold on One Sixth Form College for £1.6m payable at **£80,000** per annum over the first **20 years**, followed by an annual peppercorn rent of **£1** per annum over the next **105 years**.
- the taking up of a leasehold on **Abbeygate Sixth Form College** for an annual peppercorn rent of **£1** over a term of **125 years**. The property has been included at £32.48m using the DfE's Depreciated Replacement Cost (DRC) valuation on the basis that academies are "specialised with no evidence of sales of similar assets" which means that the Fair Value valuation defined by IFRS 13 is cannot be measured with any certainty.

Notes to the Financial Statements for the Year Ended 31 August 2021**14 Stock**

	2021	2020
	£	£
Art Supplies	<u>3,688</u>	<u>4,046</u>
	<u>3,688</u>	<u>4,046</u>

15 Debtors

	2021	2020
	£	£
Trade debtors	59,845	16,984
VAT recoverable	98,660	32,788
Prepayments and accrued income	<u>201,702</u>	<u>155,647</u>
	<u>360,207</u>	<u>205,419</u>

16 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	163,296	182,239
Taxation and social security	184,342	149,938
Other creditors	644,127	1,188,239
Accruals and deferred income	<u>984,262</u>	<u>395,461</u>
	<u>1,976,027</u>	<u>1,915,877</u>

Deferred Income

	2021	2020
	£	£
Deferred Income at 1 September 2019	138,847	170,859
Released from previous years	(138,847)	(170,859)
Resources deferred in the year	<u>146,712</u>	<u>138,847</u>
Deferred Income at 31 August 2020	<u>146,712</u>	<u>138,847</u>

At the balance sheet date, the Trust was holding funds received in advance for:

- £65,708 Non-Domestic Rates income from the ESFA for the period September 2021 to March 2022.
- £44,000 One Bus payments from students for the Autumn Term 2021.
- £30,145 for specific grants brought forward from 2019/20 and 2020/21 but due to the COVID-19 shutdown had not been spent. Specific Grants include Raising the Bar; Swerl Funding; Supported Internship; Research Project and Royal Society for Public Health.
- £37,005 Other

Included within other creditors is:

- a debt amount of £46,710 due within 2021/22 year to the ESFA which is provided on the following terms: a debt repayment over 6 years of £80,000 per year
- a debt amount of £80,000 due within 2021/22 to West Suffolk College which is provided on the following terms: a debt repayment over 20 years of £80,000 per year.

Creditors: amounts falling due in greater than one year

	2021	2020
	£	£
Other Creditors	<u>1,040,000</u>	<u>1,166,710</u>
	<u>1,040,000</u>	<u>1,166,710</u>

Notes to the Financial Statements for the Year Ended 31 August 2021

Included within other creditors is:

- A debt of £1,040,000 which is the balance of the rental payments due to West Suffolk College. This is due to be repaid at £80,000 per year over a term of 20 years, 13 years remaining over one year. There is no interest due on either of the amounts referred to above.

17 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	transfers £	Gains / (Losses) £	Balance at 31 August 2021 £
Restricted general funds						
General Annual Grant (GAG)	242,515	13,642,183	(11,906,660)	(948,919)	-	1,029,119
Rates	167	175,911	(175,911)	-	-	167
Teachers' Pay Grant	-	185,727	(185,727)	-	-	-
Teachers' Pension Grant	-	524,813	(524,813)	-	-	-
SEN Element 3	-	633,966	(626,966)	-	-	7,000
Academies Tuiton Funding	-	101,341	(101,341)	-	-	-
Other Restricted	-	43,971	(5,275)	-	-	38,696
Pension reserve	(3,957,000)	-	(1,086,000)	484,000	(1,557,000)	(6,116,000)
	(3,714,318)	15,307,912	(14,612,693)	(464,919)	(1,557,000)	(5,041,018)
Restricted fixed asset funds						
Transfer on Conversion	26,855,556	-	(588,888)	80,000	-	26,346,668
DfE Group capital grants	286,669	802,876	(216,022)	-	-	873,523
Capital expenditure from GAG	435,942	-	(214,571)	384,919	-	606,290
Donated Assets	-	32,480,000	(580,500)	-	-	31,899,500
Other Restricted Funds	248,088	-	(7,564)	-	-	240,524
Unrestricted Funds	14,862	-	(3,767)	-	-	11,095
	27,841,117	33,282,876	(1,611,312)	464,919	-	59,977,600
Total restricted funds	24,126,799	48,590,788	(16,224,005)	-	(1,557,000)	54,936,582
Unrestricted funds						
Unrestricted funds	1,304,147	287,158	(151,826)	-	-	1,439,479
Total unrestricted funds	1,304,149	287,158	(151,826)	-	-	1,439,481
Total funds	25,430,948	48,877,946	(16,375,831)	-	(1,557,000)	56,376,063

The academy trust is not subject to GAG carry forward limits.

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

General Annual Grant (GAG) monies have been received from the ESFA and are restricted for the Academy Educational Operations.

With regard to the restricted general funds, the Trust balance at 31st August 2021 was £1,074,981, before the pension adjustment. Of this balance £1,029,119 relates to unspent GAG which will continue to be used for the academy educational operations and is attributable to the different academies as follows: £1,129,781 One Sixth Form College, a deficit of (£169,596) Abbeygate Sixth Form College, a deficit of (£21,066) Central MAT.

Included in these figures is the transfer of £80k from the Restricted GAG fund to the Fixed Asset Fund which reflects the leasehold payment for the One Sixth Form College site and the following transfer has taken place into the Fixed Asset Fund for continuing investment in the building and IT Operations, £384,919 from GAG.

A transfer of £484,000 was made to support the pension deficit from GAG.

The Trust is carrying a net surplus of £1,439,481 unrestricted funds, attributable to different academies as follows: £1,255,650 One Sixth Form College, £85,175 Abbeygate Sixth Form College, £98,657 Central MAT.

There is a cash balance of £64,968 unspent DFC which represents the difference between the Net Book Value and the Restricted Fixed Asset Fund after adjusting for the outstanding loan to West Suffolk College.

Notes to the Financial Statements for the Year Ended 31 August 2021

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

	Balance at 1 September 2019 £	Income £	Expenditure £	transfers £	Gains / (Losses) £	Balance at 31 August 2020 £
Restricted general funds						
General Annual Grant (GAG)	176,666	10,449,992	(9,771,588)	(612,555)		242,515
Abbeygate	6,817	-	(6,817)	-	-	-
Rates	167	111,613	(111,613)	-	-	167
Free School Meals	-	16,127	(16,127)	-	-	-
Teachers' Pay Grant	-	165,667	(165,667)	-	-	-
Teachers' Pension Grant	-	465,523	(465,523)	-	-	-
SEN Element 3	-	542,836	(542,836)	-	-	-
Other Restricted	-	457,236	(457,236)	-	-	-
Pension reserve	(2,934,000)	-	(1,043,000)	484,000	(464,000)	(3,957,000)
	<u>(2,750,350)</u>	<u>12,208,994</u>	<u>(12,580,407)</u>	<u>(128,555)</u>	<u>(464,000)</u>	<u>(3,714,318)</u>
Restricted fixed asset funds						
Transfer on Conversion	27,364,573	-	(589,017)	80,000	-	26,855,556
DfE Group capital grants	273,536	47,988	(34,855)	-	-	286,669
Capital expenditure from GAG	576,776	-	(189,389)	48,555	-	435,942
Other Restricted Funds	21,064	300,389	(73,365)	-	-	248,088
Unrestricted Funds	17,098	-	(3,716)	1,480	-	14,862
	<u>28,253,047</u>	<u>348,377</u>	<u>(890,342)</u>	<u>130,035</u>	<u>-</u>	<u>27,841,117</u>
Total restricted funds	<u>25,502,697</u>	<u>12,557,371</u>	<u>(13,470,749)</u>	<u>1,480</u>	<u>(464,000)</u>	<u>24,126,799</u>
Unrestricted funds						
Unrestricted funds	1,075,543	497,296	(267,210)	(1,480)	-	1,304,149
Total unrestricted funds	<u>1,075,543</u>	<u>497,296</u>	<u>(267,210)</u>	<u>(1,480)</u>	<u>-</u>	<u>1,304,149</u>
Total funds	<u>26,578,240</u>	<u>13,054,667</u>	<u>(13,737,959)</u>	<u>-</u>	<u>(464,000)</u>	<u>25,430,948</u>

Notes to the Financial Statements for the Year Ended 31 August 2021**17 Statement of Funds (cont)****Analysis of academies by fund balance**

Fund balances as at 31 August 2021 were allocated as follows:

	Total £
Abbeygate	215
One	2,514,248
Central	-
Total before fixed assets and pension reserve	<u>2,514,463</u>
Restricted fixed asset fund	59,977,600
Pension Reserve	(6,116,000)
Total	<u>56,376,063</u>

In 2019/20 the balances above were as follows:

Abbeygate £(78,540); One £1,547,780; Central Services £77,591, Total £1,546,831

Restricted fixed asset fund £27,841,117; Pension reserve £(3,957,000); Total £25,430,948

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

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Depreciation)	Total
	£	£	£	£	£
Abbeygate	1,829,546	102,010	139,473	497,354	2,568,383
One	6,589,776	297,096	428,666	1,726,915	9,042,453
Central services	1,756,731	1,667,709	-	270,757	3,153,683
Academy Trust	10,176,053	2,066,815	568,139	1,953,512	14,764,519

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

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Depreciation)	Total
	£	£	£	£	£
Abbeygate	988,001	207,920	76,158	602,042	1,874,121
One	5,872,620	1,417,964	793,099	1,543,965	9,627,648
Central services	983,000	23,722	-	339,126	1,345,848
Academy Trust	7,843,621	1,649,606	869,257	2,485,133	12,847,617

Notes to the Financial Statements for the Year Ended 31 August 2021**18 Analysis of Net Assets between Funds**

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2021 £
Intangible fixed assets	-	-	4,623	4,623
Tangible Fixed assets	-	-	61,027,016	61,027,016
Current assets	1,533,730	2,746,980	195,741	4,476,451
Current liabilities	(94,249)	(1,671,998)	(209,780)	(1,976,027)
Non current liabilities	-	-	(1,040,000)	(1,040,000)
Pension scheme liability	-	(6,116,000)	-	(6,116,000)
Total net assets	1,439,481	(5,041,018)	59,977,600	56,376,063

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2020 £
Intangible fixed assets	-	-	3,352	3,352
Tangible Fixed assets	-	-	29,024,834	29,024,834
Current assets	1,372,118	2,012,265	57,966	3,442,349
Current liabilities	(67,969)	(1,722,873)	(125,035)	(1,915,877)
Non current liabilities	-	(46,710)	(1,120,000)	(1,166,710)
Pension scheme liability	-	(3,957,000)	-	(3,957,000)
Total net assets	1,304,149	(3,714,318)	27,841,117	25,430,948

19 Commitments under Operating Leases**Operating Leases**

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	118,485	63,112
Amounts due between one and five years	179,318	84,063
Amounts due after five years	221	1,262
	298,024	148,437

Notes to the Financial Statements for the Year Ended 31 August 2021

20 Reconciliation of Net Income/(Expenditure) to Net Cash flow from operating activities

	2021	2020
	£	£
Net income/(expenditure) for the year (as per the statement of financial activities)	22,115	(683,292)
Adjusted for:		
Amortisation (note 12)	3,237	2,823
Depreciation (note 13)	1,608,075	887,519
Capital grants from DfE and other capital income	(802,875)	(348,377)
Interest receivable (note 4)	(3,825)	(9,677)
Defined benefit pension scheme cost less contributions payable (note 25)	530,000	499,000
Defined benefit pension scheme finance cost (note 25)	72,000	60,000
(Increase)/decrease in stocks	358	(180)
(Increase)/decrease in debtors	(154,788)	105,000
Increase/(decrease) in creditors	93,432	796,983
Net cash provided by / (used in) Operating Activities	1,367,729	1,309,799

21 Cash Flows from Financing Activities

	2021	2020
	£	£
Repayments of borrowing	(159,992)	(159,992)
Net cash provided by / (used in) financing activities	(159,992)	(159,992)

22 Cash Flows from Investing Activities

	2021	2020
	£	£
Dividends, interest and rents from investments	3,825	9,677
Purchase of tangible fixed assets	(1,130,257)	(412,971)
Purchase of intangible fixed assets	(4,508)	-
Capital grants from DfE / ESFA	802,875	47,988
Net cash provided by / (used in) investing activities	(328,065)	(355,306)

23 Analysis of Cash and Cash Equivalents

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash in hand and at bank	3,232,884	879,672	4,112,556
Total cash and cash equivalents	3,232,884	879,672	4,112,556

2019/20 Cash flows movement was £1,094,890

Notes to the Financial Statements for the Year Ended 31 August 2021

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

25 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 Suffolk County Council. Both are multi-employer defined-benefit schemes.

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

Contributions amounting to £201,0380 (2020: £165,415) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. 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 levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £1,169,851 (2020: £989,168).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £811,169 (2020: £604,572), of which employer's contributions totalled £644,731 (2020: £485,204) and employees' contributions totalled £166,438 (2020: £119,369). The agreed contribution rates for future years are 22.9% until March 2022 and 21.9% until March 2023 for employers and variable % for employees.

Notes to the Financial Statements for the Year Ended 31 August 2021**25 Pension and Similar Obligations (continued)**

Annual Salary	Contribution Rate
£0 - £14,400	5.50%
£14,401 - £22,500	5.80%
£22,501 - £36,500	6.50%
£36,501 - £46,200	6.80%
£46,201 - £64,600	8.50%
£64,601 - £91,500	9.90%
£91,501 - £107,700	10.50%

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.

Principal Actuarial Assumptions

	At 31 August 2021 p.a.	At 31 August 2020 p.a.
Rate of increase in salaries	3.60%	2.90%
Rate of increase for pensions in payment/inflation	2.90%	2.20%
Discount rate for scheme liabilities	1.65%	1.70%
Inflation assumption (CPI)	0.00%	1.25%
Commutation of pensions to lump sums	0.00%	25.00%

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

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	22.1	21.9
Females	24.5	24.1
<i>Retiring in 20 years</i>		
Males	23.2	22.7
Females	26.4	25.6

Notes to the Financial Statements for the Year Ended 31 August 2021**25 Pension and Similar Obligations (continued)**

	At 31 August 2021	At 31 August 2020
Sensitivity analysis		
Discount rate -0.1%	326,000	-
Discount rate -0.5%	-	1,187,000
Salary rate +0.5%	-	91,000
Salary rate +0.1%	21,000	
Mortality assumption - 1 year decrease	-	-
Mortality assumption - 1 year increase	446,000	-
CPI rate +0.5%	-	1,077,000
CPI rate +0.1%	300,000	-

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

	Fair value at 31 August 2021 £	Fair value at 31 August 2020 £
Equities	3,330,360	2,218,990
Gilts	-	-
Corporate bonds	1,261,500	977,860
Property	353,220	338,490
Cash and other liquid assets	100,920	225,660
Derivatives	-	-
Investment funds	-	-
Asset backed securities	-	-
Other	-	-
Total market value of assets	<u>5,046,000</u>	<u>3,761,000</u>

The actual return on scheme assets was £614,000 (2020: £(19,000)).

Amounts recognised in the statement of financial activities

	2021 £	2020 £
Current service cost	(1,014,000)	(943,000)
Past service cost	-	(40,000)
Interest income	69,000	65,000
Interest cost	(141,000)	(125,000)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Admin expenses	-	-
Total amount recognised in the SOFA	<u>(1,086,000)</u>	<u>(1,043,000)</u>

Notes to the Financial Statements for the Year Ended 31 August 2021**25 Pension and Similar Obligations (continued)**

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

	2021	2020
	£	£
At 1 September	7,718,000	6,059,000
Conversion of academy trusts	-	-
Transferred in on existing academies joining trust	-	-
Transferred out on existing academies leaving trust	-	-
Current service cost	1,014,000	943,000
Interest cost	141,000	125,000
Employee contributions	141,000	119,000
Actuarial (gain)/loss	2,171,000	445,000
Benefits paid	(23,000)	(13,000)
Losses or gains on curtailments	-	-
Past service cost	-	40,000
Unfunded pension payments	-	-
Effect of non-routine settlements	-	-
At 31 August	11,162,000	7,718,000

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

	2021	2020	
	£	£	
At 1 September	3,761,000	3,125,000	
Conversion of academy trusts	-	-	7.1
Transferred in on existing academies joining the trust	-	-	7.2
Transferred out on existing academies leaving the trust	-	-	7.3
Interest income	69,000	65,000	5.3
Actuarial gain/(loss)	614,000	(19,000)	7.5
Employer contributions	484,000	484,000	7.6
Employee contributions	141,000	119,000	7.7
Benefits paid	(23,000)	(13,000)	7.8
Effect of non-routine settlements	-	-	7.9
At 31 August	5,046,000	3,761,000	

26 Related Party Transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations, made on or after 1 April 2019, have been notified to the ESFA in advance of the transactions starting.

The ESFA has not approved any of the outgoing related party transactions with West Suffolk College for 2020/21. This matter has been disclosed in the Statement of Regularity, Propriety & Compliance. The ESFA confirmed to the Trust that although the transactions were not approved their "decision does not prevent the academy trust from entering or continuing with the agreements". The Trust and the ESFA are engaged in ongoing discussions and the Trust recognises the support being provided by the ESFA with regard to this matter.

The following related party transactions took place in the period of account:

Related Party: West Suffolk College

West Suffolk College is the sponsor of Suffolk Academies Trust and this creates the related party relationship.

Notes to the Financial Statements for the Year Ended 31 August 2021

Transactions not requiring ESFA approval:

West Suffolk College owns the freehold of the site that One Sixth Form College is located on and this property was leased to SAT for 125 years commencing 1 September 2015. One Sixth Form College paid a sum of £80,000 relating to rent to West Suffolk College for the year (2020: £80,000). The year-end liability is £1,120,000 (2020: £1,200,000).

Under an agreement that started in advance of 1 April 2019, to provide Curriculum support, a charge of £30,060 was made by West Suffolk College to Suffolk Academies Trust (2020: £nil).

Where funds flow into the Trust, the ESFA does not require disclosure or approval. Two such transactions occurred in 2020/21. Firstly, in respect of the receipt of bus pass income for Abbeygate Sixth Form College students where the bus service is a shared service with West Suffolk College. The costs of bus transport are invoice directly to the Trust by the transport operator, but the sale of bus passes is managed centrally by West Suffolk College and the Trust invoices the College for the relevant income. The second item was a recharge of a fee to attend the World Education Summit. Tickets were purchased by Suffolk Academies Trust and recharged to West Suffolk College for the relevant staff attending.

Transactions requiring ESFA approval:

The Principal and Vice Principal Finance and Resources of West Suffolk College provided the services of Chief Executive/Accounting Officer and Chief Financial Officer respectively for the whole year. These arrangements were charged for via a Service Level Agreement, approved by both parties.

During 2020/21 a Support Services agreement between West Suffolk College (WSC) and Suffolk Academies Trust (SAT) operated where WSC staff provided support to SAT and some SAT staff have supported WSC. These arrangements were also charged for via a Service Level Agreement, approved by both parties.

The Principal of West Suffolk College provided the services of Principal to One Sixth Form College until 31 July 2021. The related party transaction was not agreed by the parties until May 2021 and consequently on a charge for the period 17 May to 31 July 2021 has been made by West Suffolk College to the Trust.

In summary, the value of the Service Level Agreements between the parties in 2020/21 were:

West Suffolk College charge to Suffolk Academies Trust

CEO/CFO £100,000 (2020: £71,229) The charge has been included within accruals at the year-end.
 Support Services £258,169 (2020: £139,732). The charge has been included within accruals at the year-end.
 Curriculum support £30,060 (2020: £nil) The charge has been included within accruals at the year-end.
 One Sixth Form College Principal £16,658 (2020: £nil) The charge has been included within accruals at the year-end.
 Abbeygate Accommodation £nil (2020: £500,000) There is no outstanding balance at the 2020/21 year-end.
 Abbeygate Exam entries £nil (2020: £8,178) There is no outstanding balance at the 2020/21 year-end.
 Catering £nil (2020: £28) There is no outstanding balance at the 2020/21 year-end.
 Free Meals in Further Education £nil (2020: £14) There is no outstanding balance at the 2020/21 year-end.

Suffolk Academies Trust charge to West Suffolk College

Support Services £60,000 (2020: £30,000) The charge is included within trade debtors at the 2020/21 year-end.
 Abbeygate Sixth Form College bus travel income £11,842 (2020: £nil) There was no outstanding balance at the year end.
 World Education Summit £225 (2020: £nil) There was no outstanding balance at the year end.

27 Events after the end of the reporting period

No events occurring since the balance sheet date require further disclosure.

28 Agency Arrangements

In the accounting period ending 31 August 2021 for the 16-19 bursary the Trust received £309,645 (2020: £271,716) and disbursed £223,935 (2020: £208,265) from the fund for both academies. An amount of £105,793 (2020: £41,182) is included in other creditors relating to undistributed funds for One Sixth Form College and £51,207 (2020: £32,952) for Abbeygate Sixth Form College. The undistributed funds will be used to support students during 2021/22

In the accounting period ending 31 August 2021 free school meals (Free Meals In Further Education) were accounted for as an agency arrangement and the Trust received £67,582 (2020: £63,732) and disbursed £32,232 (2020: £73,497) for both academies. An amount of £32,321 (2020: £11,984) is included in other creditors relating to undistributed funds for One Sixth Form College and £22,801 (2020: £7,789) for Abbeygate Sixth Form College. The undistributed funds will be used to support students during 2021/22.

The Trust acts as an agent in distributing the SWISS Partnership monies. In the year the Trust received £nil (2020: £nil) and disbursed £6,760 (2020: £15,190). An amount of £26,586 (2020: £33,346) is included in other creditors